



30 May 2023

The Manager
Market Announcements Office
Australian Securities Exchange

Dear Manager,

2023 STRATEGY BRIEFING DAY PRESENTATION

Following is a presentation that will be given today, Tuesday 30 May 2023, at a Strategy Briefing Day in Sydney which is scheduled to commence at 6:30am AWST / 8:30am AEST.

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

The video referred to as part of the presentation is available at <https://www.wesfarmers.com.au/strategy-videos-MAY23>.

Yours faithfully,

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

Vicki Robinson
Executive General Manager
Company Secretariat

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

2023 Strategy Briefing Day

To be held on Tuesday 30 May 2023



Agenda

Time (AEST)	Topic	Presenter
8:00am – 8:30am	Registration	
8:30am – 8:55am	Group overview	Rob Scott
8:55am – 9:05am	OneDigital	Nicole Sheffield
9:05am – 9:35am	Q&A – Wesfarmers and OneDigital	<i>Rob Scott, Anthony Gianotti, Naomi Flutter, Nicole Sheffield</i>
9:35am – 10:00am	Morning tea	
10:00am – 10:25am	Bunnings	Michael Schneider
10:25am – 10:45am	Kmart Group	Ian Bailey
10:45am – 11:00am	Officeworks	Sarah Hunter
11:00am – 11:40am	Q&A – Bunnings, Kmart Group, Officeworks	<i>Michael Schneider, Ian Bailey, Sarah Hunter</i>
11:40am – 11:50am	Break	
11:50am – 12:00pm	Chemicals, Energy & Fertilisers	Ian Hansen
12:00pm – 12:10pm	Industrial and Safety	Tim Bult
12:10pm – 12:20pm	Health	Emily Amos
12:20pm – 12:50pm	Q&A – WesCEF, Industrial and Safety, Health	<i>Ian Hansen, Tim Bult, Emily Amos</i>
12:50pm – 12:55pm	Closing remarks	Rob Scott
12:55pm – 1:40pm	Lunch	

Introduction and Group overview

Rob Scott

Managing Director

Wesfarmers Limited



Wesfarmers



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

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



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



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



Engaging fairly with our suppliers and sourcing ethically and sustainably



Supporting the communities in which we operate

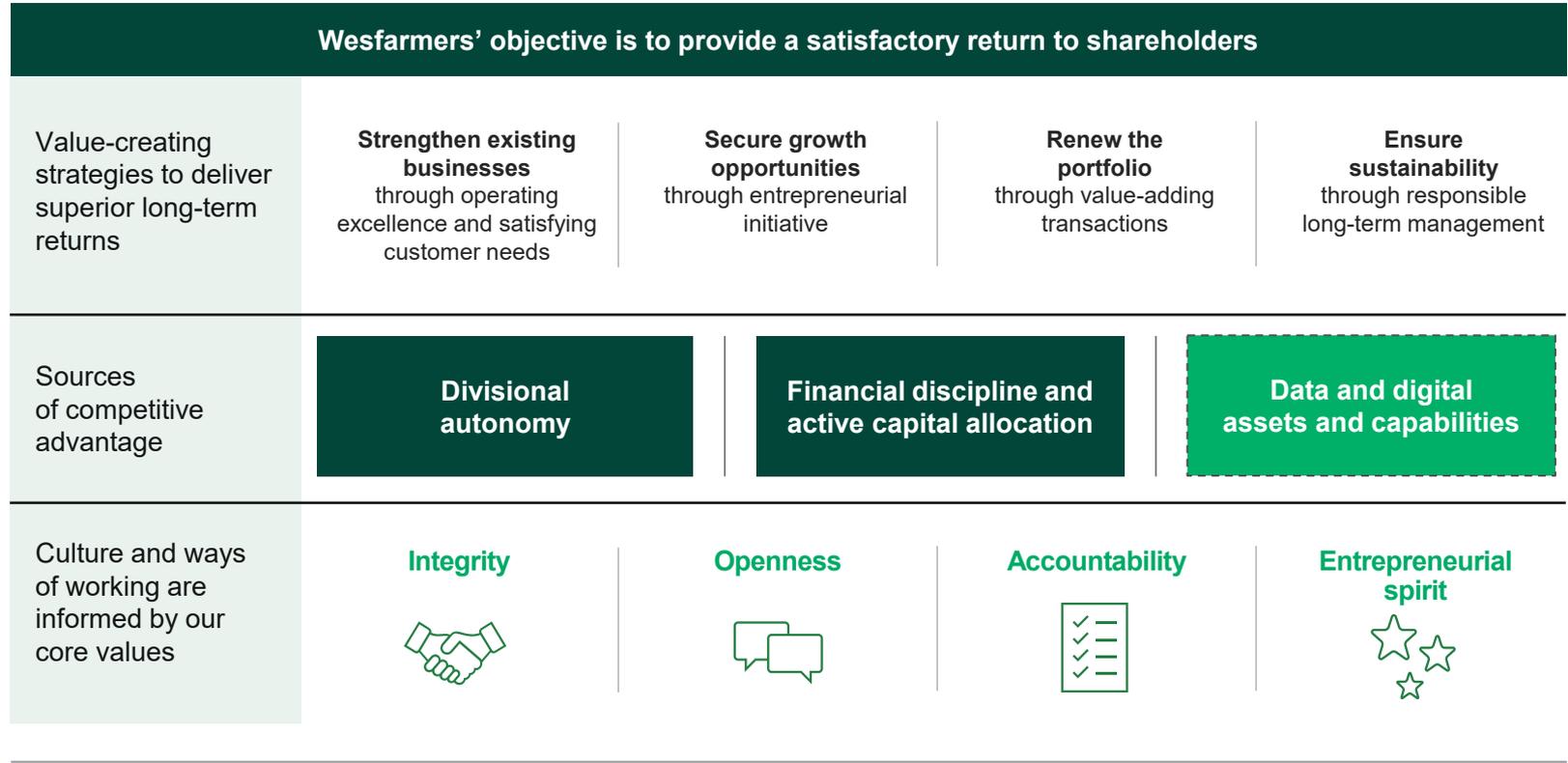


Taking care of the environment



Acting with integrity and honesty in all of our dealings

Wesfarmers Way focuses on delivery of the Group's objective



Consistent focus on shareholder returns over time

Wesfarmers' long-term total shareholder returns in excess of the broader market

SINCE LISTING

WES +19.1% pa
Index +10.5% pa

LAST 10 YEARS

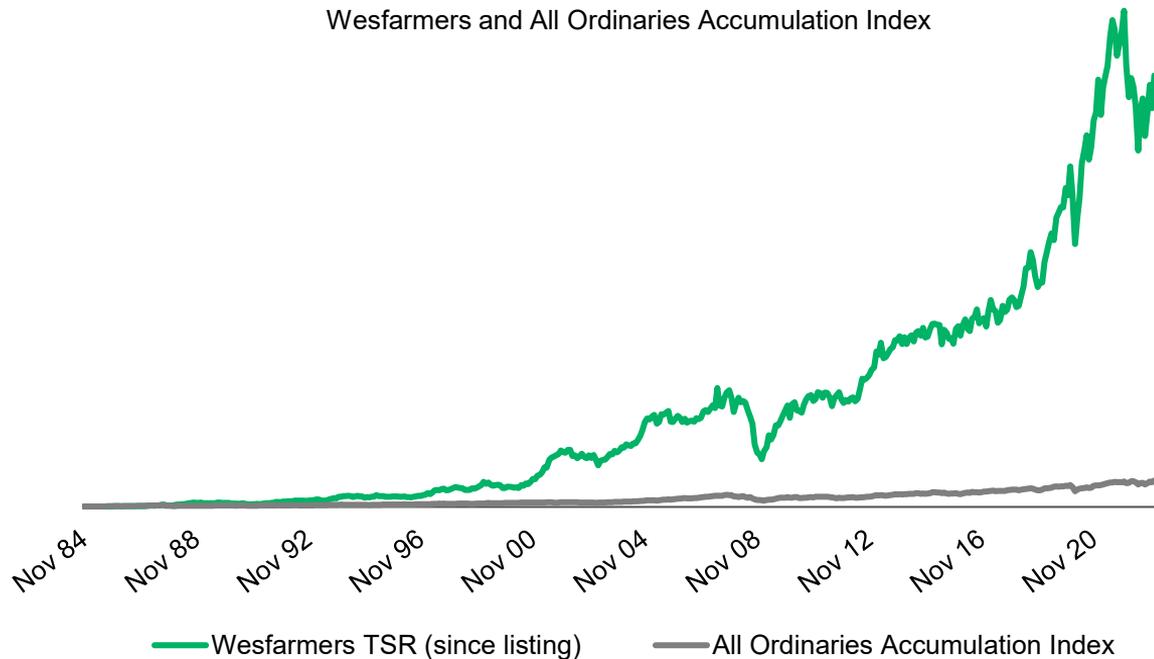
WES +10.8% pa
Index +8.1% pa

LAST 5 YEARS

WES +16.8% pa
Index +8.4% pa

TSR¹ Index from November 1984 to April 2023

Wesfarmers and All Ordinaries Accumulation Index



1. Total Shareholder Return. Assumes 100% dividend reinvestment on the ex-dividend date and full participation in capital management initiatives; as at 30 April 2023.
Source: Annual report and IRESS.

Disciplined financial management

Disciplined investment to support long-term growth and returns

- 
- Long-term focus supports investment through the cycle – now benefitting from continued investment during COVID-19
 - Active allocator of capital with rigorous investment criteria and strong commercial discipline
 - Expect FY23 net capital expenditure of \$1,100m to \$1,200m

Focus on productivity-enhancing initiatives to mitigate cost pressures and deliver value for customers

- 
- Continuing to invest in technology and automation opportunities across divisions
 - Realising opportunities to adjust processes and reset costs following rapid growth during COVID-19
 - Flexibility in store remuneration models and progress on new enterprise agreements to deliver productivity outcomes

Strong and flexible balance sheet to support investment and take advantage of opportunities

- 
- Financial and organisational capacity to actively consider value-accretive opportunities
 - Strong credit ratings: Moody's A3 (stable), S&P A- (stable) and significant headroom against key credit metrics
 - Diversified funding across domestic and international debt capital markets, and unused bank facilities of c. \$2.0b¹

1. As at 31 December 2022.

Significant portfolio movements since FY18

Made portfolio changes that supported the Group's long-term TSR objective	
Reallocated capital to the highest value use	
Developed and acquired new data and digital assets and capabilities	
Established new platforms for growth	

Wesfarmers' portfolio has been strengthened, with new platforms for growth and a focus on sustainable businesses

Current portfolio provides both resilience and growth

Bunnings

- Growing addressable market and market participation in consumer and commercial segments
- Price positioning on essential products to support 'build, maintain and improve' projects, providing resilience



Kmart Group

- Unique product development capabilities and scale, which enable continued range expansion and provide customers with the lowest prices
- Opportunities to extend low price leadership and grow share of wallet



WesCEF

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



Officeworks

- Driving profitable growth in key markets and expanding addressable market
- Recent investments to drive productivity and efficiency



WIS

- Improving the product and service offering, enhancing operational capabilities



Health

- Transformation plan in place to improve financial performance of core businesses
- Opportunities for expansion into logical adjacencies and for enhanced use of data



OneDigital

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



Executing growth projects that support long-term shareholder returns



Covalent lithium project and expansion options

First earnings from the sale of spodumene concentrate expected in early CY24 and refinery civil works complete



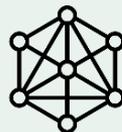
Evolution of supply chain capabilities

Modernisation of supply chain technology and execution of new distribution and fulfilment centre projects



Transformation and growth of the Health division

Transformation plan developed for core API businesses and actively progressing adjacent and digital health opportunities



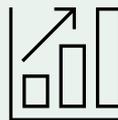
New product ranges, store upgrades and network expansion

Including Bunnings' new pets range and continued investment across Bunnings, Kmart, Officeworks and Priceline networks



Continued development of Bunnings' commercial offer

Expansion of Tool Kit Depot, Beaumont Tiles and frame and truss operations, and continued investment in commercial customer experience



Pipeline of potential expansion opportunities at WesCEF

Relating to expansion of ammonia, ammonium nitrate, sodium cyanide plants and decarbonisation projects

Delivering a superior omnichannel experience

Trusted brands with broad physical and digital reach



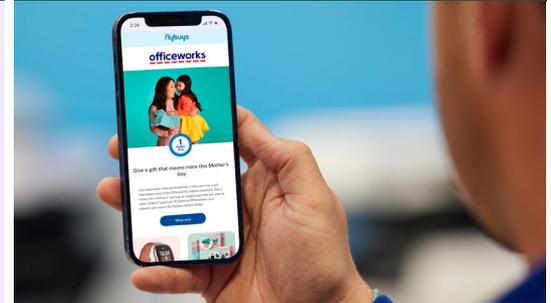
- Portfolio of leading, trusted brands
- Significant retail and fulfilment network
 - ~1,800 stores, 30+ DCs and CFCs¹
- Broad digital reach
 - 210m+ digital interactions and 1.5m+ digital transactions per month
- Investing in continued improvement of customer experience across channels

Digital ecosystem supports omnichannel experience



- Expanding and strengthening the OnePass program, with omnichannel benefits
 - Online and fulfilment benefits
 - Instore rewards
 - Partner offers
- Unique membership programs with high active member numbers²
 - Flybuys (8.5m+), Sister Club (3.6m+), PowerPass (1.0m+)
- >50% of sales to known customers

Improving customer experience driving cost efficiencies



- Stronger instore and digital engagement, including strong click and collect rates
- More personalised customer offers
- Additional value for customers through loyalty and subscription programs
- Deeper customer insights enabling improved product development
- Productivity and efficiency benefits through scale, digitisation and increased use of data

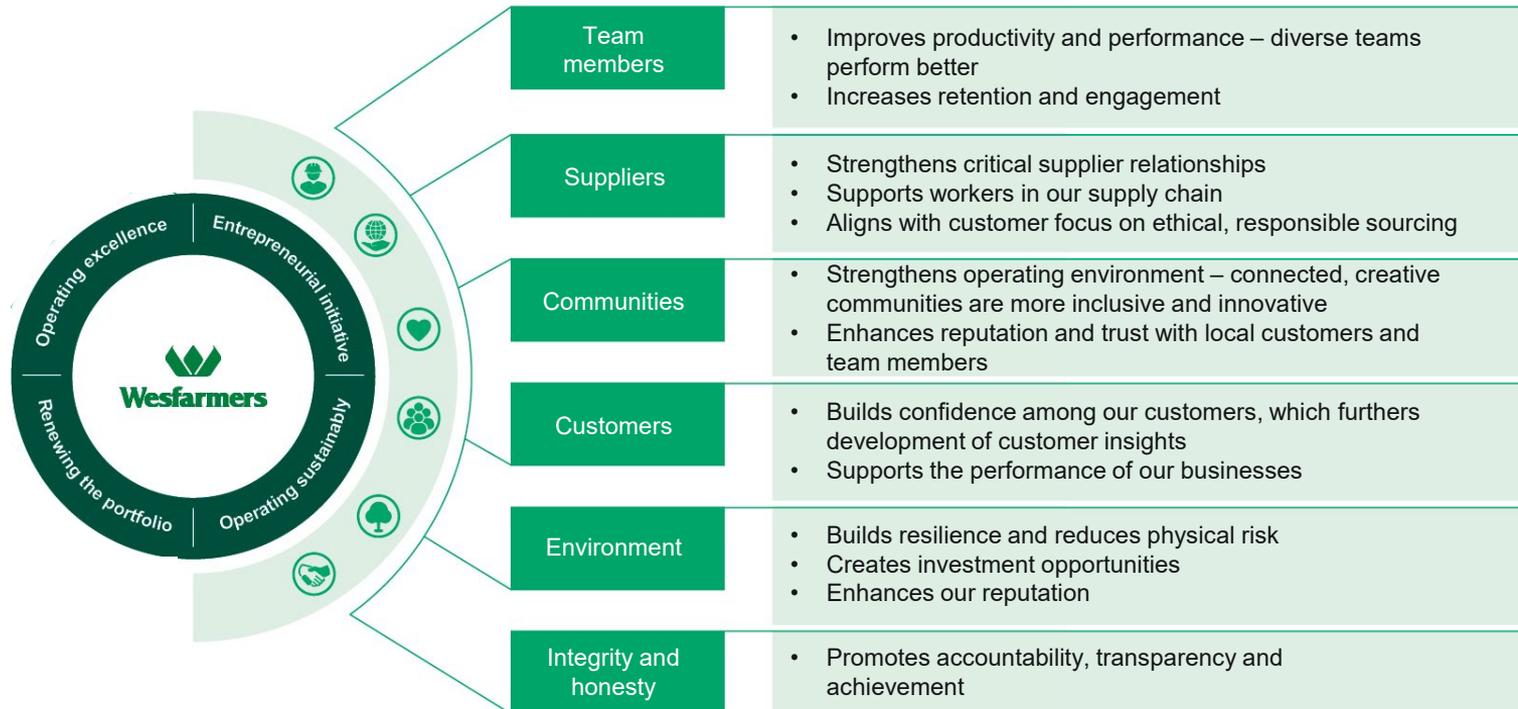
NB: data as at 31 December 2022.

1. Distribution centres and customer fulfilment centres, including some dedicated third-party facilities.

2. Active members are those with activity in the last 12 months.

Responsible long-term management

Our value-creating strategies drive value for our stakeholders through sustainable long-term management



Divisions are well positioned for the current environment



Supply of essential and everyday products

to retail, commercial and industrial customers



feel like

Strong value credentials

as value becomes increasingly important to customers



Well advanced on productivity initiatives

using technology, data analytics and operational excellence to drive efficiency

Key messages



Portfolio and operating model provide both **resilience and growth**



Businesses are well positioned for the current environment



Strong and flexible balance sheet to support investment and take advantage of value-accretive opportunities

Wesfarmers OneDigital

*Nicole Sheffield
Managing Director
Wesfarmers OneDigital*



OneDigital

OnePass

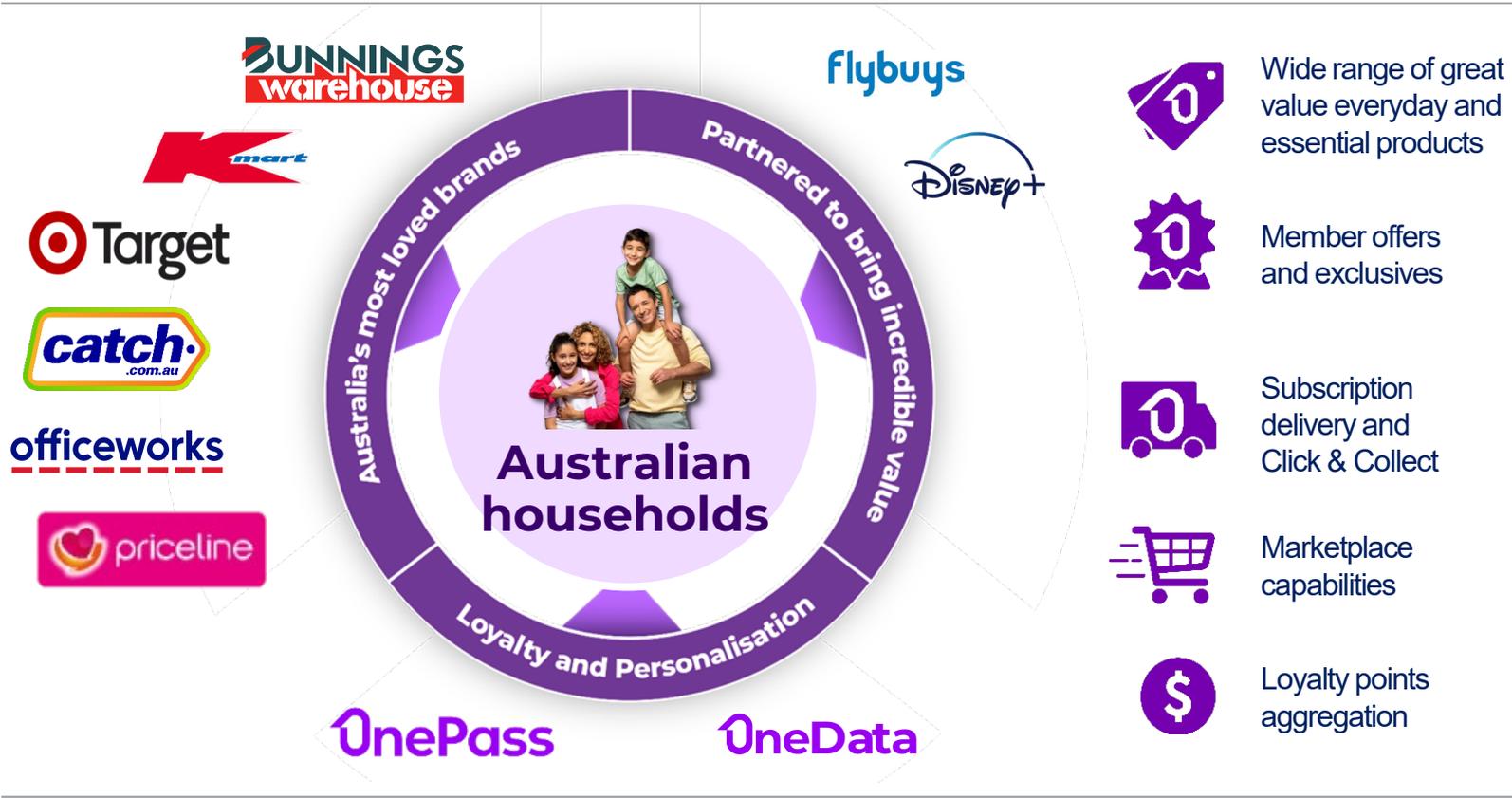


The last twelve months have been foundational for OneDigital

- Launched OnePass 12 months ago and have rapidly grown the member base
- Expanded brand participation, which now includes Bunnings, Kmart, Target and Catch
- Valuable customer insights gained to inform development of omnichannel benefits
- Australian-first membership and content partnership with Disney+
- Strong team member take-up with over 30,000 team member advocates across the Group
- Formalised relationship with Flybuys through a new partnership agreement
- OneData is leveraging the Shared Data Asset to create value for the Group
- Expanded use of AI to assist divisions on business use cases, including Bunnings markdown optimisation
- Decisive remediation action commenced in Catch, with further improvement required
- Established a privacy promise to customers and implemented a robust privacy, security, data and responsible AI governance framework across the division



The OneDigital ecosystem creates network effects to drive deeper connections with customers instore and online



...with our most valuable customers through the most compelling omnichannel experience



Removing friction



Continuously improving member benefits



Elevate members



Ensuring privacy

Customer value proposition

Engage

Making it easier to shop for higher customer engagement

Earn & Save

Reward the most loyal customers to drive incremental shop

Deliver

A seamless omnichannel shopping experience, including delivery and returns

Organisation Principles

Shared Success

Operational Excellence

Data Dexterity



OnePass members are:

Critical to our future

Younger

Than the typical customer across the Group

With kids at home

Buying for the whole household

Digitally native

Increasingly engaged and connected

Linked-up

70% of members linked to 2 or more Group brands

Active

Kmart online transactions increasingly coming from OnePass members, now ~20% of delivery orders

Spending more vs non-members

More frequent

2x more transactions per annum vs non-OnePass

Higher conversion

15x more likely to complete an online transaction vs non-OnePass baskets

Higher spend

Members spend an average of ~\$1,000 per annum online across the Group

OnePass roadmap



Major enhancement to omnichannel customer value proposition coming in H1 FY24...

...plus continuous expansion of member features



New retail partnership with Officeworks



New instore benefits



Enhanced delivery offer



Expanded rewards and benefits



Disney+ bundle free trial and exclusive Disney promotions



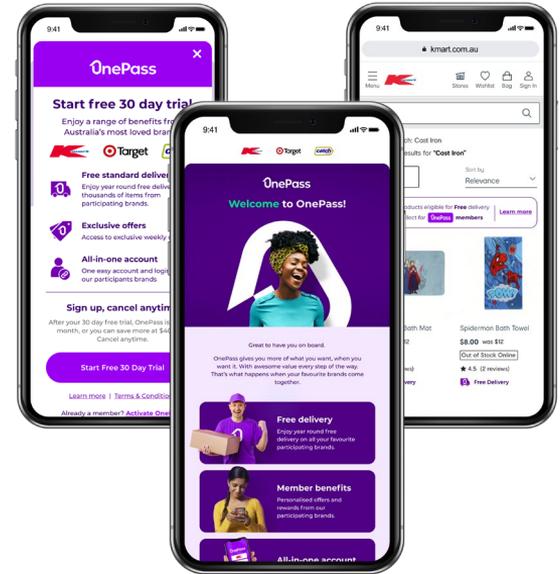
OnePass mobile app



Referral program for members and team



Live chat providing improved customer support

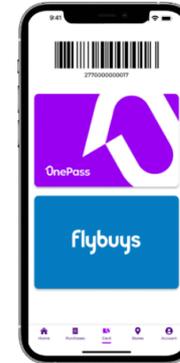


Complementary and mutually beneficial OnePass-Flybuys relationship



A seamless and engaging experience for customers across both programs driving benefits for both parties

	OnePass	Flybuys
Complementary customer propositions	<p>Membership program Meaningful benefits instore and online across Wesfarmers' brands</p>	<p>Loyalty program Earn and redeem points across Flybuys' coalition of partners</p>
Benefits for OnePass and Flybuys	<p>Access to Flybuys' large and loyal shopper base</p> <p>Leverage engagement and frequency benefits</p> <p>Shared data and insights</p>	<p>Access to OnePass' younger, digitally native members</p> <p>Significantly increased scan rates across Wesfarmers' brands</p> <p>Shared data and insights</p>



Current focus remains on actions to improve performance



Decisive actions announced in February 2023 are being actively progressed, with signs of improvement

Actions



Changes to **leadership** – new Managing Director and new heads of Retail, Technology, and Supply Chain



Material **37% reduction in headcount** to lower costs



Clearing unprofitable 1P range and unhealthy stock



Initiatives to **optimise fulfilment costs** at the Moorebank FC



Optimising marketing spend

Recent results

- ✓ Month-on-month **reduction in losses**
- ✓ Material improvement in customer NPS¹
- ✓ 1P SKU count reduced by **c. 25%** vs start of FY23
- ✓ Moorebank pick and pack CPU reduced by over **25%**²
- ✓ **More efficient paid marketing**

1. Net Promoter Score.

2. Improvement in pick and pack CPU (cost per unit) based on March 2023 compared to the average over 2Q FY23.

Further steps in FY24 to support sustainable growth



Continuation and extension of key initiatives

Further **reduce the 1P range** to create a more profitable, targeted 1P proposition

Program to **optimise performance of fulfilment centres** – further lowering costs, increasing delivery speed and continuing FBC¹ for Kmart

Actions to lower costs, through reduced technology and discretionary spend

Leverage benefits and traffic from OnePass as the program scales



1. Fulfilled by Catch.

Improvements to the customer value proposition



Catch is focused on better meeting the needs of its customers to ensure it has a successful and sustainable proposition. Catch is reshaping its offer to provide a targeted 1P and expanded 3P range



Everyday value

- Competitive prices on key value lines
- Leverage heritage of deals to drive traffic



Free and reliable delivery

- Free shipping for OnePass members
- Delivery promise and tracking



Compelling range for specific customers

- 1P range curated for target customers
- Extensive 3P range



Loyalty and rewards

- OnePass and Flybuys
- Personalisation opportunities

OneDigital

The ecosystem supports a stronger customer experience instore and online

OnePass

OnePass has an exciting pipeline of enhancements to its value proposition



Decisive actions have been taken to address underperformance at Catch

Group Q&A

Rob Scott

Managing Director, Wesfarmers Limited

Anthony Gianotti

Chief Financial Officer, Wesfarmers Limited

Naomi Flutter

Executive General Manager, Corporate Affairs, Wesfarmers Limited

Nicole Sheffield

Managing Director, Wesfarmers OneDigital



Wesfarmers



Bunnings

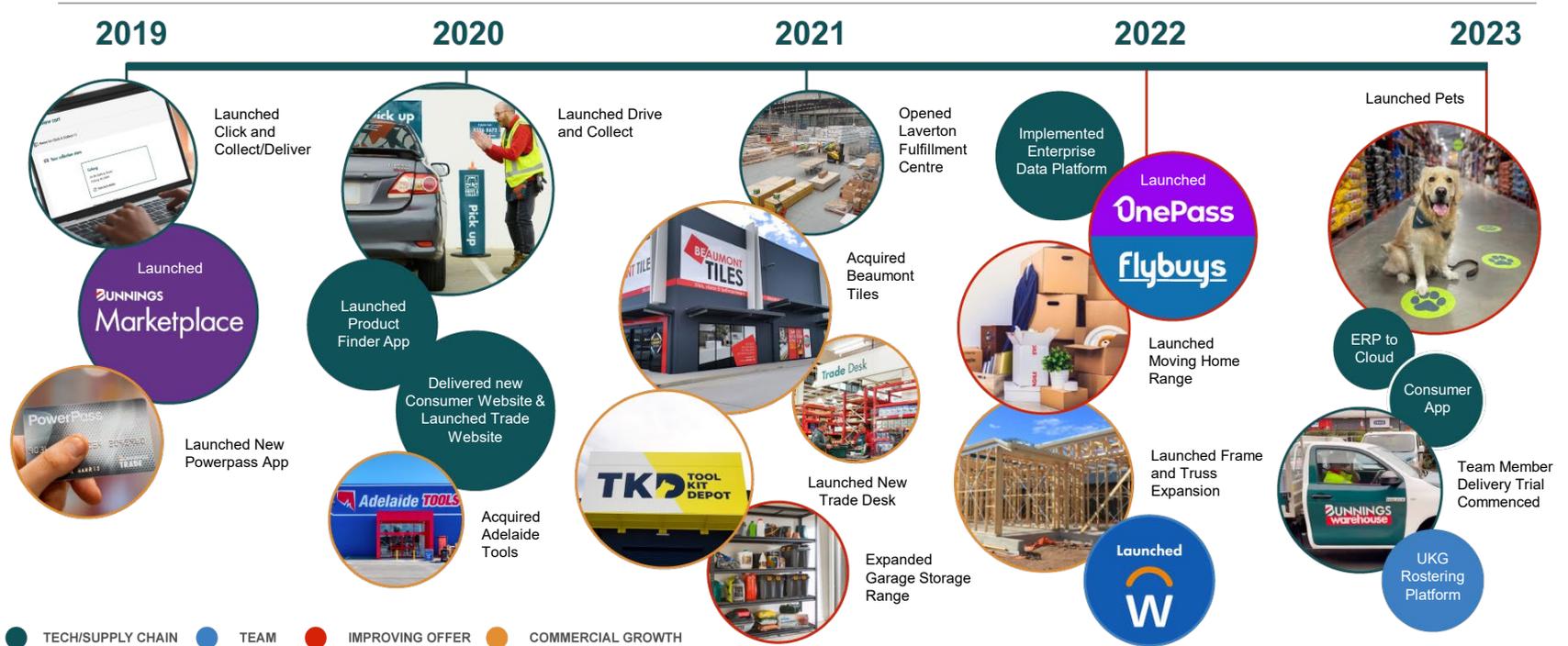
Michael Schneider
Managing Director
Bunnings Group



Track record of growth and expanding the addressable market



While delivering transformational projects over past five years



↑ **\$233M** Community Contributions since 2018

↑ **300+** Range Reviews since 2018

↓ **2.4M** Hours saved from tasks since 2020

↑ **10.7% SALES** 3Y CAGR to Dec-22
10.9% EBT

Fragmented and highly competitive market landscape

DECORATOR AND HOME FURNISHINGS



BUILDERS AND TIMBER



HARDWARE AND FIXINGS



GARDENING



PLUMBING AND BATHROOM



KITCHEN



PETS



OUTDOOR LIVING



ELECTRICAL



TOOLS



Key demand drivers:

- Population changes
- Housing stock
- Business, building and renovation activity
- House age, churn and value
- Demographics
- Household disposable income
- Lifestyle trends
- Innovation and technology

Delivering the strongest customer offer



Key strengths:

- Brand pillars: lowest prices, widest range, best experience
- Team: unique culture, DIY and trade expertise and community focus
- Store network: reach >80% population within 20 mins drive time
- Product range: reflecting diverse customer needs and market segments
- Scale: enabling low costs and operating efficiency

Bunnings' strategic growth plan



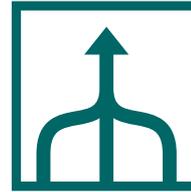
CARE

Team
Suppliers
Environment
Community



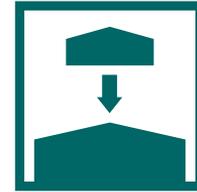
GROW

Customer value
New and expanded
categories
Trade capabilities



SIMPLIFY

Low costs
Productivity
Stock flow



EVOLVE

Data and digital
Supply chain
Space management

Attract and retain the best team

Team

- Step change on team safety to reduce injuries
- Attract and retain through industry leading benefits, team engagement plans and career pathways
- Deeper inclusion and diversity reflecting the communities we operate within
- Increased support for team wellbeing



Making a positive difference – we live here too



Environment

On track to source 100% renewable electricity by 2025

Target Net Zero Scope 1 and 2 emissions by 2030

Community

Support over 50,000 community activities through both local and major projects

Help to raise and contribute over \$30 million for community groups

Delivering customer value through everyday low prices



LOWEST PRICES

- Continue to invest in lowest prices across the range
- Driving productivity and cost down to enable price reinvestment
- Review thousands of products every day to validate best value in market
- Creating even more value through deeper supplier partnerships and growing owned brands

Continue to innovate, expand, introduce new products and categories



PETS

- Expanded pet durables range
- New pet food range
- Ranged across 270 stores
- More than 900 products
- >5 million website views during the launch period

CITECO

- New owned brand range
- Trade quality product at compelling price points
- Leveraging global sourcing capability

CLEANING

- Expanded cleaning range
- Commercial quantities at compelling price points

Continue to innovate, expand, introduce new products and categories

RURAL



RECREATION



SMART-HOME

COMMERCIAL RANGES

Making the customer experience even better across all channels

INSTORE EXPERIENCE...



...SUPPORTED BY ONLINE INSPIRATION ...



...POWERED BY PERSONALISATION



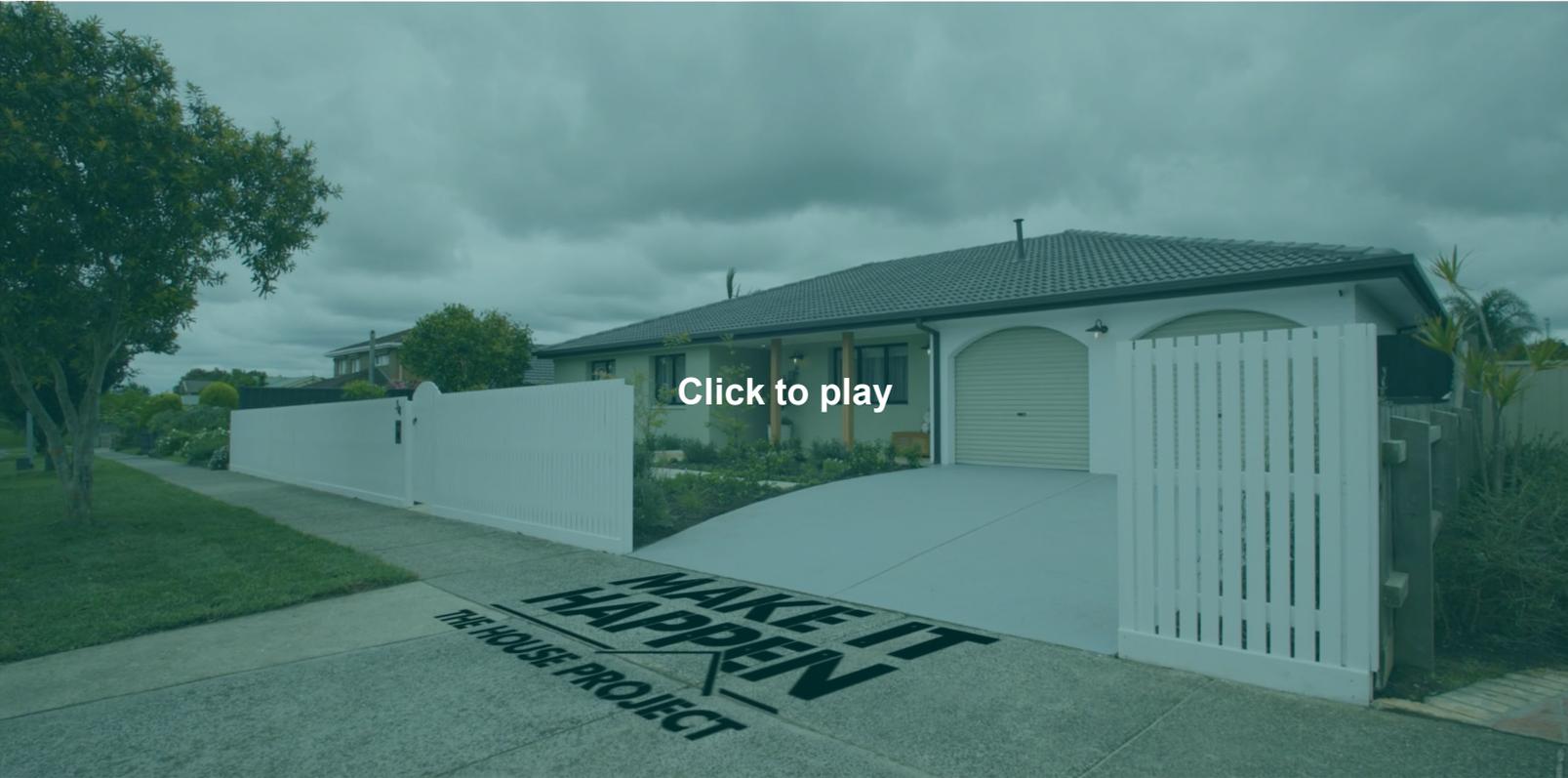
Got everything to maintain your garden?

Running low on garden supplies? We've got you covered with the lowest prices on our wide range.

Our top picks

 <p>Garden Basics 500G All Purpose NPK FERTILISER</p> <p>\$2.77</p>	 <p>Yates 4L Weed 'N' Feed Hose On Lawn Weed Killer</p> <p>\$19.87</p>	 <p>Go Natural Citrus Gall Wasp And Mealy Insect Trap</p> <p>\$9.90</p>
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VIDEO - Make It Happen House Project



Building capabilities to better service commercial customers

	Frame to fix	Fit-out	Finishing	Equip the trades	Organisations
					
Key product categories	Structural timber, frame and truss, cladding, insulation, plaster, doors, windows, waterproofing	Appliances, bathroom ware, hard flooring, joinery, HVAC	Landscaping, garden, greenlife, painting	Power and hand tools, safety and apparel	Current broad product range
Areas of focus	F&T expansion Builders Service Team Clever Living expansion (NZ)	Building Solutions Studio Supply and Install Connected Spaces NZ Healthy Homes insulation	Team expertise Pricing and quoting Painting	PowerPass capabilities Segment growth Trade Assist	Trade Apprentices Independent Living Key segment strategies
Purchase decision	 Builder	 Trade / Builder	 Trade	 Trade / Builder	 Small Business / Industry Organisations

Specialist formats complementing the commercial offer



FRAME & TRUSS

- Allows early access to building plans
- Expanding capacity and footprint
- Introducing automation to improve productivity



TOOL KIT DEPOT AND BEAUMONT TILES

- Specialist product offering, driven by expert service, range, delivery and customer experience
- Expanding retail networks to provide national offer
- Driving commercial customer engagement across Bunnings Group

Driving down costs through increased productivity

Delivering a lower cost model and improved customer experience

Smarter rostering for better service

More flexible store rostering to deliver better service at lower cost

Lower costs through streamlining process

Using technology to automate and scale business processes

- Utilising technology to redeploy or remove over 2.4 million hours of task since 2020
- Over one million more hours identified for FY24
- Improving coverage at peak times



Data and digital enhancing customer lifetime value

CONSUMER



COMMERCIAL



Flybuys

OnePass

PowerPass

Evolving the supply chain – logical, incremental and customer-led



Optimising the use of space to strengthen the customer offer

Store Optimisation

Store size, location, customer profile



Macro-space

Best product categories and layout instore



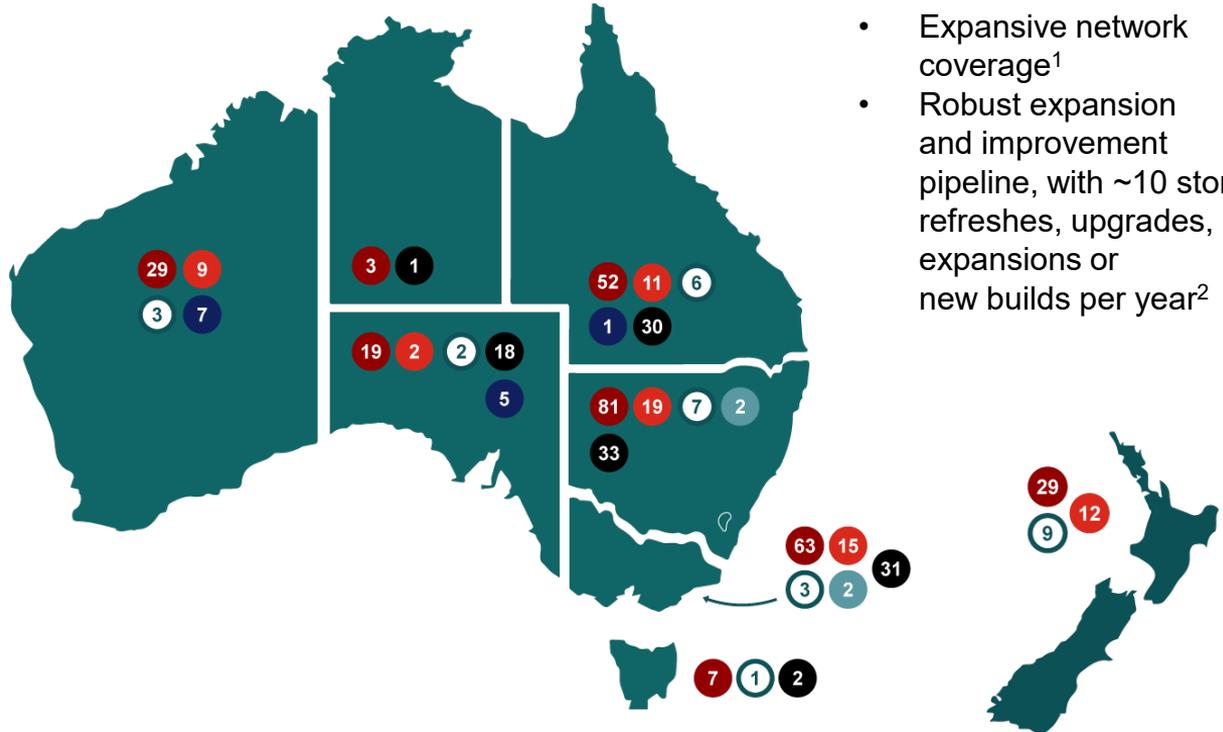
Micro-space

Best range assortment and ease-of-shop by bay



Bunnings' omnichannel business model allows stores to curate range, reduce core SKUs and focus on localised ranging instore while showcasing Bunnings' extended range online

Network expansion and optimisation



- Expansive network coverage¹
- Robust expansion and improvement pipeline, with ~10 store refreshes, upgrades, expansions or new builds per year²

1. All figures as at April 2023. Beaumont Tiles figures comprise 28 company owned and 87 franchised stores. Excludes Distribution and Fulfilment Centres.
 2. Bunnings Warehouse and Small Format Stores only (excluding Tool Kit Depot, Beaumont Tiles, Frame & Truss, Distribution and Fulfilment Centres).

Key messages and outlook

- Focused on outperforming the market by delivering the strongest customer offer through all phases of the cycle
- Driving operational efficiencies and disciplined capital allocation to support profitable growth
- Plans targeting growth across consumer and commercial segments
- Investment in new and expanded ranges, optimising space and leveraging data and technology assets



Kmart Group

Ian Bailey
Managing Director
Kmart Group



Kmart Group overview

Iconic Australian retail brands with differentiated customer propositions



Low prices/for life

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



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

Supported by alignment and common focus areas in Kmart Group functions

Corporate Affairs
and Sustainability

Commercial,
Strategy and Risk

Joint Sourcing
and Procurement

Property and
Network Planning

Technology,
Data & Advanced
Analytics

People and
Capability

Leveraging OneDigital capabilities

OneData

OnePass

Catch Marketplace

Fulfilled by Catch

Track record and existing commitments



Scale and breadth of Kmart and Target's businesses provides a unique position to drive meaningful change



100% of own brand cotton products are now ordered as Better Cotton, organic or recycled



Over 25% of own brand polyester clothing and bedding now contain recycled material



Net Zero Scope 1 and 2 emissions by July 2030



10 priority single-use plastic items phased out



Circular design pilot training program delivered to designers, buyers and sourcing team



Kmart Group's relationships with global sustainability partners enable it to lead change in Australia

Opportunities in a circular economy



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



Recycled inputs

Scaling-up use of recycled materials (e.g. polyester, plastic) across Apparel and GM¹



Designing products for sustainability

Developing a circular design strategy and roadmap (e.g. durability, reuse, recyclability)



Collective action to drive systemic change

Supporting research partnerships aimed at identifying solutions to reduce textile and plastic waste

More information can be found on Kmart and Target's website.

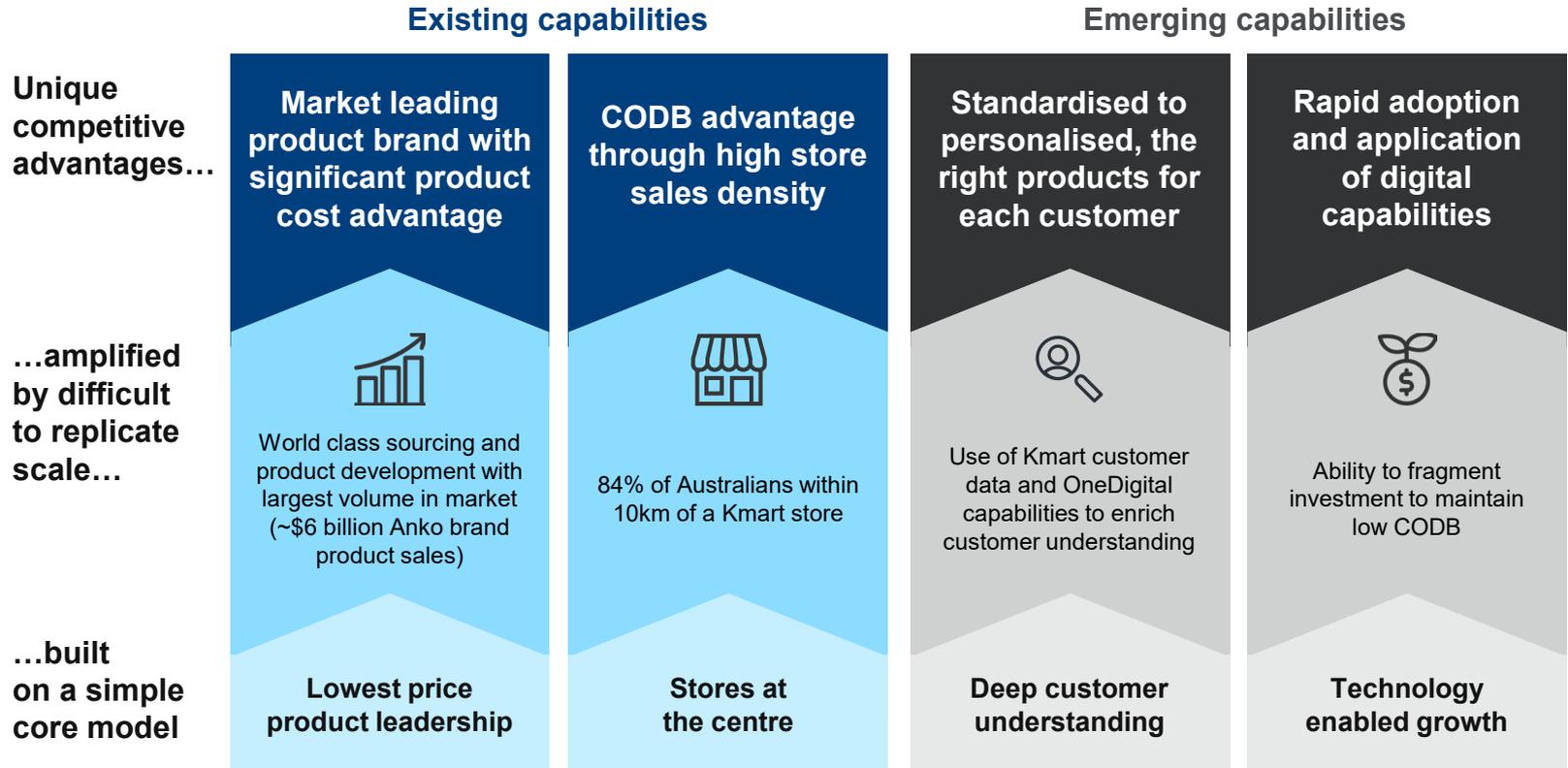
Kmart



Kmart vision



Scale drives competitive advantages



Note: Statistics relate to the 12 months ending 31 December 2022.

Strategic growth priorities

Growing Kmart's share of wallet

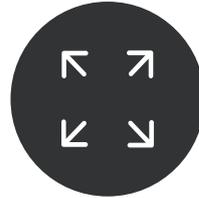
**A great place to shop
that is simple to run**



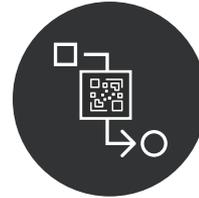
Winning in omnichannel, enabled by loyalty and personalisation



Digitise instore experience and operating model



Leverage product development capabilities



Digitise sourcing and supply chain

**New and profitable
channels to market**



Expand Anko into new markets globally



Leverage product development capabilities



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



Apparel (share c. 7%)
Total Australian market ~\$39b



GM, Active & Beauty (share c. 7%)
Total Australian market ~\$30b



Home & Living (share c. 9%)
Total Australian market ~\$34b

...and opportunities to broaden existing product ranges and enhance offerings in growing demographics



Example – Gen Z
Significant category adjacency
within a growing market



Example – Beauty
Compelling price point enables
growth opportunity



Example – Storage
Natural extension to existing
categories within Home & Living



Digitise sourcing and supply chain

	 Lead time reduction for on-trend ranges		 Enhanced supply and demand matching	 Continued reduction of end-to-end costs
Long-term vision	Lead time reduction for on-trend ranges		Enhanced supply and demand matching	Continued reduction of end-to-end costs
Select initiatives	3D design and prototyping	Supplier stock buffering	Digitisation of planning tools and processes	Fabric consolidation
Value realisation	Outperformance from 3D prototype ranges	>30 day reduction in order lead times	Automated planning, range and markdown optimisation	Fabric sourcing improvements reduce cost
Benefits	Higher sales and lower markdowns		Higher sales and lower markdowns	Higher gross margin



Digitise instore experience and operating model



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



Successfully completed national roll-out of RFID¹ to all Australian large format stores for apparel

- Benefits from digitisation of back-fill process have been realised
- New Zealand roll-out to begin in FY24
- Scaling of daily inventory updates largely completed

Initial benefits



Incremental sales from improved availability



Lower markdown costs

With future opportunities that will:

grow sales



Personalised instore experiences



Fast checkouts



Navigation

and lower costs



Shrinkage



Online pick efficiency



End-to-end supply chain visibility



Digitisation of store processes

1. Radio Frequency Identification.



Winning in omnichannel, enabled by loyalty and personalisation



A market-leading and personalised omnichannel experience that deepens customer engagement



Mobile App

- Strong active user growth
- App conversion rates 2x that of the website¹
- Digital receipts and express checkout now available



Loyalty and Personalisation

- 7.5m+ total addressable customers¹
- Consent management system simplifies application of customer preferences
- Trialling cross-journey engagement



Social Content

- Significant community following and user generated content
- 3.3b total impressions for social and search across platforms²



Stores

- Launched 4 hour Click & Collect³
- Introduced Direct to Boot trial



1. As at 30 April 2023.

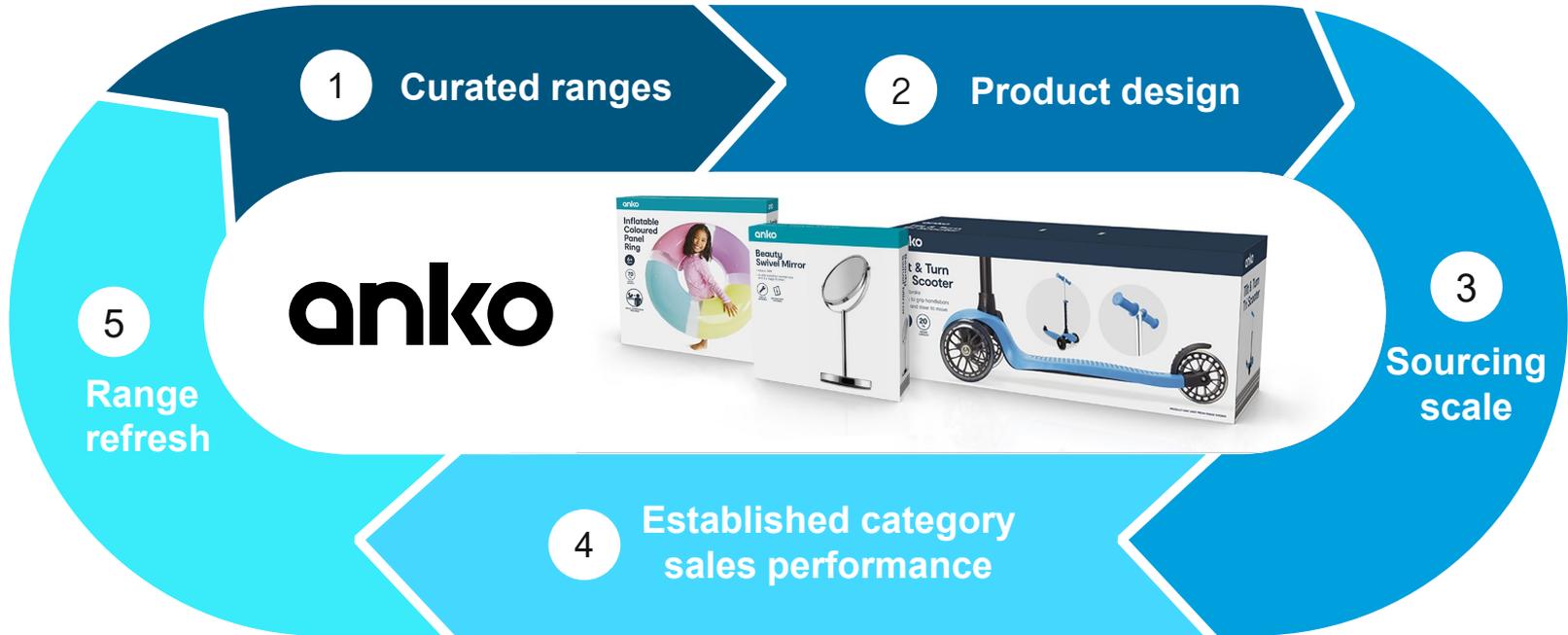
2. For the 12 months ending 31 December 2022.

3. Order before 12pm for 4pm collection. Excluding K-Hub stores.



Expand Anko into new markets globally

Anko's general merchandise offer is globally competitive and underpinned by value-adding capabilities





Expand Anko into new markets globally

Launched Anko in Canada

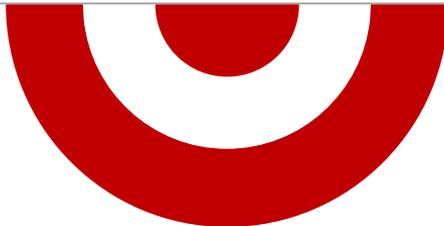
- Wholesale agreement with Hudson Bay Company
- Store-in-store concept within Zellers (both online and instore)
- Anko provides a cohesive, end-to-end retail range across toys, kids, homewares, pets and apparel





Target





AFFORDABLE QUALITY FOR EVERYDAY LIFE

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

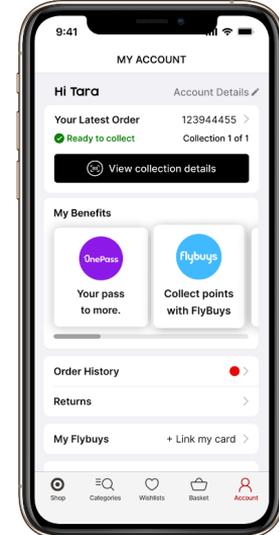
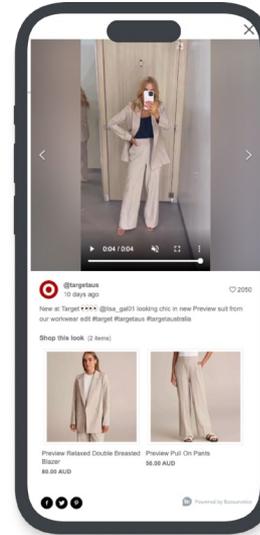


THAT'S TARGET

- **Core customer focus around Mum and her growing family**, with offer centred around apparel and soft home
- **Affordable quality** the key differentiator with a focus on continued improvement in customer perception of quality, value and style
- **Iconic brand** with strong awareness
- **Leveraging Group capabilities** through sourcing, technology, data, advanced analytics, digital and sustainability advantages from Kmart Group and OneDigital



- **Online is a meaningful and growing customer channel:**
 - Penetration of 16.5%¹, with growing app usage
- **Omnichannel operating model** supported by hybrid store and DC² fulfilment capability
- **Existing profitable base** with clear opportunities to improve:
 - Strong progress in improving apparel participation
 - Growing Click & Collect participation
 - Continued operational efficiency gains



1. For the 12 months ending 31 December 2022.

2. Distribution Centre.

Kmart Group



Customers are increasingly focused on value

We are uniquely placed in an inflationary environment to extend low price leadership



Benefitting from
**growth in
customers**
(new and
returning)



**Increase in
transaction
frequency** as
shopping patterns
normalise



**Increase in
average annual
spend** across all
affluence segments

Key messages and outlook

- Extend low price leadership
- Grow share of wallet by leveraging product development capability and enhancing our omnichannel focus, enabled by loyalty and personalisation
- Digitising store and online operations to further reduce costs and convert revenue growth into profit growth
- Exploring new and profitable channels – expanding Anko into new markets globally
- Commercial management of Target to maintain profitability and continue to differentiate on apparel and soft home



Officeworks

Sarah Hunter
Managing Director
Officeworks



officeworks geeks2u

Our strategy and focus support sustainable long-term growth

Strategy



Focus

Driving profitable growth in key markets by solving customer missions

Delivering productivity and efficiency benefits from recent investments

Delivering productivity and efficiency benefits from recent investments

Supply chain



Inventory



Stores



Realising benefits from significant investment over recent years...

- New Victorian CFC¹ and IDC²
- Optimised volume across supply chain
- Expanded voice-picking
- Improved inventory processes utilising technology in store
- Invested in technology to drive increased self-service and improved customer experience in store

...with further opportunities to drive productivity and efficiency

- New WA CFC
- New Transport / Order Management Systems
- Leverage capacity for future growth
- Transform demand and replenishment systems, processes and capabilities
- Improve supplier forecasting
- Digitise processes across stores and the support centre
- Continue to improve customer experience and efficiency

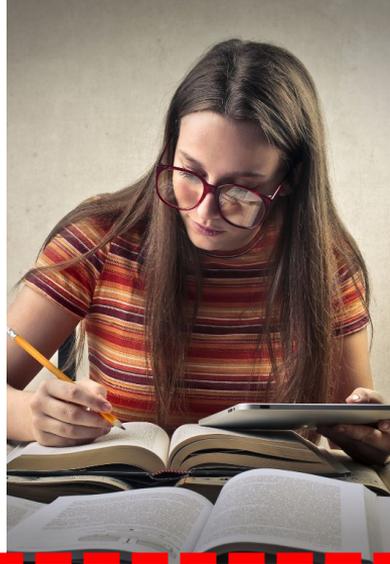
1. Customer Fulfilment Centre.
2. International Distribution Centre.

Driving profitable growth by solving customer missions

Underpinned by Low Prices, Widest Range and Great Service



Work



Learn



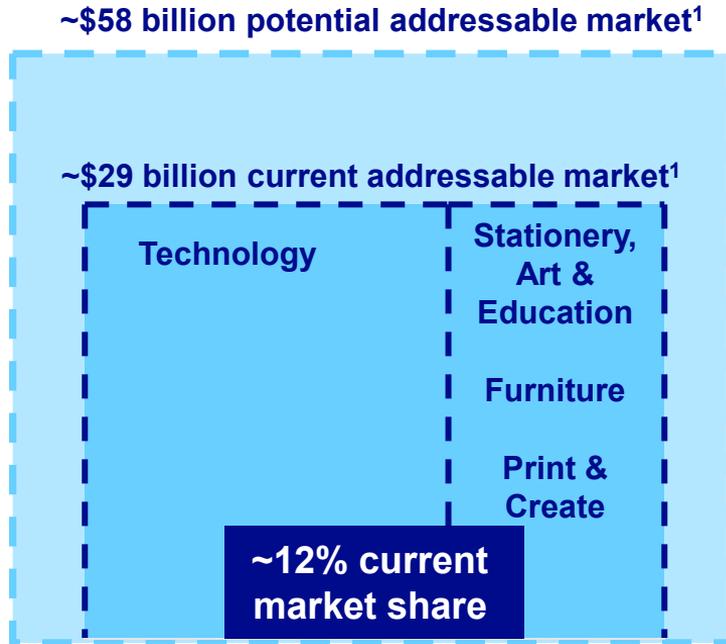
Create



Connect

Further growth opportunities in key markets

Current and potential addressable market worth ~\$58 billion



- **Technology:** Continue to deliver above-market growth through technology categories, services, **Geeks2U** services and strong supplier partnerships
- **Stationery:** Continue to increase market share through customer penetration and strong availability
- **Art & Craft & Education:** Continue to grow well above market, through expanded private label range
- **Print & Create:** Increase basket size via value-added printing and product personalisation. Grow share from 1% in the B2B market
- **Further growth** opportunities also exist in **potential addressable markets**

1. Diagram is not to scale.

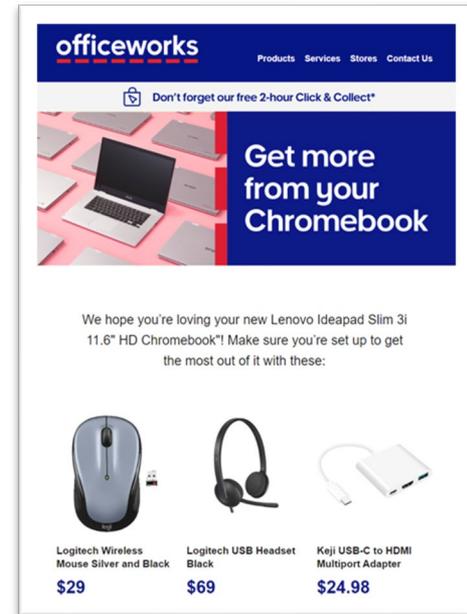
Personal Customers

Low prices, widest range, great service

- Maintaining investment in everyday low prices
- Expanding private brands and services including:
 - Otto – furniture, stationery and office supplies;
 - Born – art supplies and adult craft;
 - Kadink – kids craft and learning & development; and
 - Geeks2U – security, networking and data services and repairs
- Continuing to build strategic partnerships e.g. with Apple, Google, Microsoft, HP and Canva
- Continued focus on driving NPS improvement

Easy and engaging experiences across every channel

- Increased personalisation for 4.3m marketable customers
- Deepening Flybuys member penetration and joining OnePass
- Continue to invest in our store network and our online platforms
- Expanding content to inspire customers



officeworks Products Services Stores Contact Us

Don't forget our free 2-hour Click & Collect*

Get more from your Chromebook

We hope you're loving your new Lenovo Ideapad Slim 3i 11.6" HD Chromebook*! Make sure you're set up to get the most out of it with these:

		
Logitech Wireless Mouse Silver and Black	Logitech USB Headset Black	Kaji USB-C to HDMI Multiport Adapter
\$29	\$69	\$24.98

Personalised marketing of relevant accessories for new technology hardware customers delivering incremental sales¹

1. Compared to a control group who did not receive post-purchase communications.

Business Customers

Strong B2B value proposition

- Maintaining investment in everyday low prices
- Building the basket through breadth of range, including private label products
- Every channel convenience with extensive fulfillment options, including 2hr delivery / click & collect, same day and next day delivery and extended store trading hours
- New B2B platform to provide a seamless and engaging experience

Tailored offers

- Digital solutions including Flexiworks and School platforms
- Dedicated business specialists and account management for larger commercial customers and Schools
- Access to the services of Circonomy, providing end-to-end circular solutions for office fit outs



Team and connecting with our communities

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



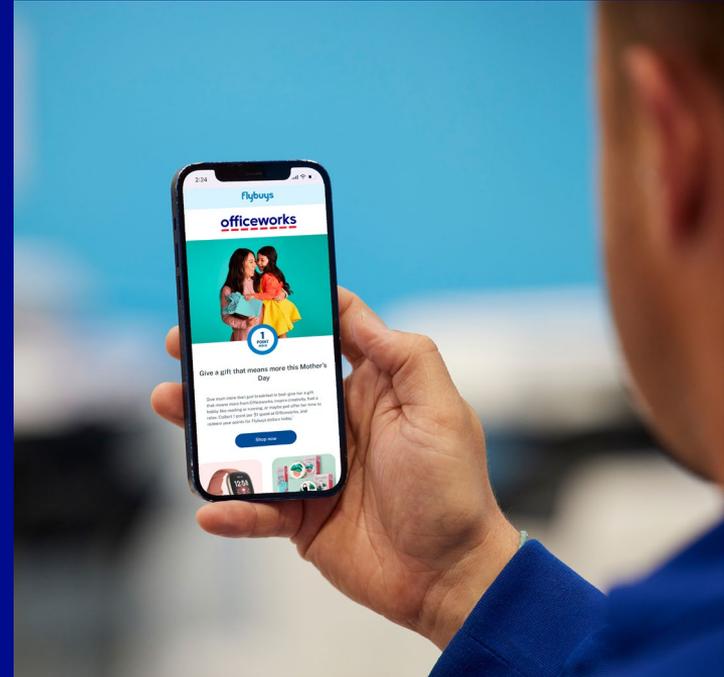
- Continue to invest in the safety, health and wellbeing of our team
- Enhance Officeworks' reputation as an employer of choice, attracting, retaining and upskilling our team
- Continue to strengthen engagement across our teams, their connection to Officeworks and sense of belonging



- Install roof-top solar to support transition to 100% renewable electricity
- On track to reduce carbon emissions to be Net Zero by 2030
- Continue our leadership position in reuse, recycle and repurpose as differentiator
- Leverage investment in Circonomy to enable growth with business customers

Key messages and outlook

- Driving profitable growth by solving personal and business customer missions across work, learn, create and connect
- Focused on productivity and efficiency improvements, including delivering the benefits from recent investments
- Continued investment in Low Prices, Widest Range and Great Service across every channel
- Growth of market share in core categories and continued expansion into adjacencies
- Leveraging data to create an even more relevant and rewarding customer experience



Panel Q&A – Bunnings, Kmart Group & Officeworks

Michael Schneider

Managing Director, Bunnings Group

Ian Bailey

Managing Director, Kmart Group

Sarah Hunter

Managing Director, Officeworks



Wesfarmers



Wesfarmers Chemicals, Energy & Fertilisers

Ian Hansen
Managing Director
Wesfarmers Chemicals, Energy & Fertilisers



VISION

To grow a portfolio of leading, sustainable businesses

KEY STRATEGIES

Safe person,
Safe process,
Safe place

Enhance our
reputation

Foster a culture that
recognises diversity
and focuses on
customers

Evolve through
innovation and
investment

COMPETITIVE POSITION

- A portfolio of complementary businesses with clear competitive advantages
- A core focus on safe operations and sustainable management
- Market-leading operating performance driven by a focus on reliability and continuous productivity improvements
- A proven history of sensible, timely deployment of major capital to meet market needs and deliver shareholder value
- Major project and chemical processing experience that can be leveraged into emerging sectors (e.g. lithium)
- A technically skilled workforce across a breadth of disciplines

WesCEF strategic focus areas



Operational Excellence

- Continued strong plant performance to ensure reliable, high-quality product supply
- Ongoing investment in process improvements

Major Growth Projects

- Chemical production capacity expansions to meet growing markets
- Lithium mine and concentrator expansion study underway

ESG Focus

- Investment in decarbonisation initiatives to meet interim target
- Investigating medium and long-term abatement opportunities in line with Net Zero roadmap

Critical Minerals

- Successful Covalent lithium project execution
- Evaluating exploration and other adjacent opportunities

Underpinned by investment in key enablers:

Divisional platforms and systems including new ERP¹

Asset Management Improvement Program

A culture prioritising safety

Talent attraction, development and retention

1. Enterprise Resource Planning system.

Opportunities for further investment support long-term growth

Pipeline of major project opportunities

Covalent lithium project expansion

Mine and concentrator expansion study underway. Consideration of refinery capacity expansion to be undertaken following commissioning

Nitric Acid Ammonium Nitrate (NAAN) debottlenecking

Engineering design underway for debottlenecking to increase production capacity from 825ktpa to c.945ktpa

Sodium Cyanide expansion

Expansion study nearing completion to increase production capacity from 95ktpa to c.130ktpa

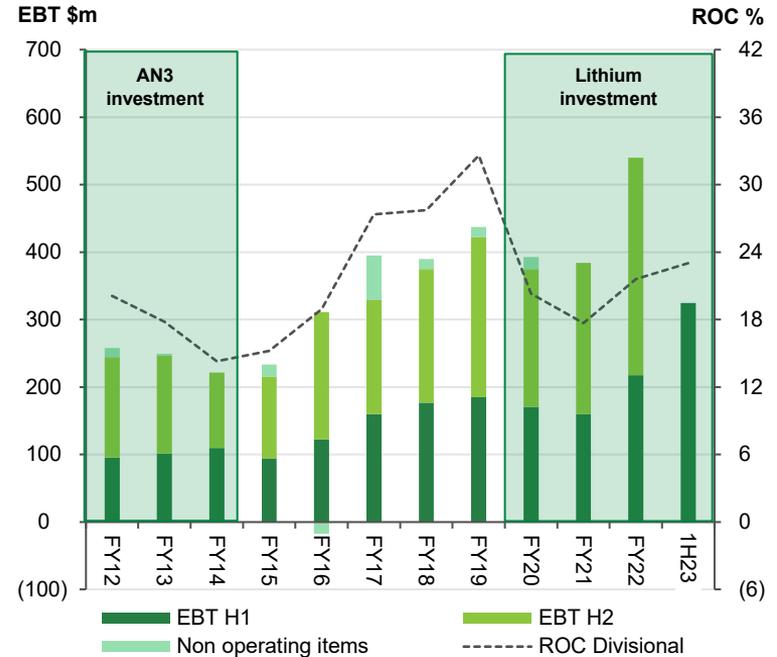
Kwinana Ammonia expansion

Increase ammonia production capacity from 270ktpa to c.570ktpa. Currently with WA EPA¹ for approval and FID² subject to final commercial assessment, including gas supply

Dongara CCS³ and blue ammonia concept study

Early-stage feasibility study in partnership with Mitsui & Co

Supported by a track record of growth investment



1. Environmental Protection Authority.
 2. Final Investment Decision.
 3. Carbon Capture and Storage.

Project and market update

- Construction of the concentrator is over 90% complete with early commissioning underway
- Refinery civil works are complete and the majority of procured equipment has arrived in WA
- Covalent is continuing to manage a challenging construction environment, but timing and capex remains in line with February 2023 guidance
- Executed agreements for lithium hydroxide offtake with tier 1 customers
- Project continues to be supported by strong market fundamentals

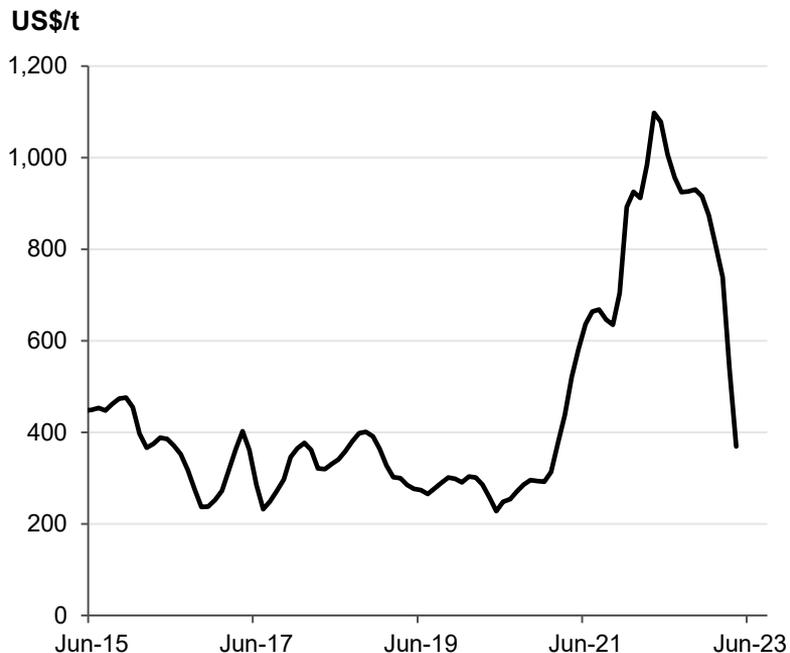
Current priorities

- Support Covalent to ensure successful project execution
- Continue significant work into organisational readiness to minimise commissioning and operational risks
- Progress feasibility study to double production capacity of mine and concentrator
- Finalising sales strategy for interim spodumene concentrate



Crushed ore on conveyor belt at Mt Holland.

Ammonia price – CFR Far East



Source: S&P Global Commodity Insights.

Ammonia pricing

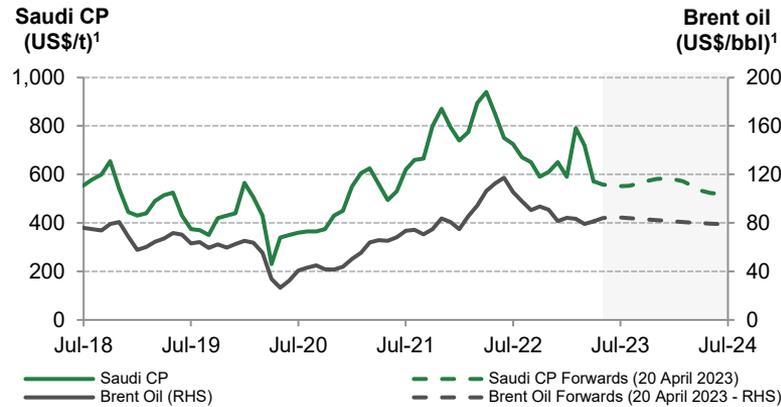
- Strong plant performance has allowed the business to capitalise on historical high ammonia pricing
- Rapid decline in price over recent months due to reduction in European natural gas prices and subdued global demand
- Though market forecasts vary significantly, ammonia prices are generally expected to improve to above historical average levels in the medium and long term
- While a recovery in ammonia pricing is anticipated, WesCEF's FY24 earnings are likely to be adversely impacted by lower global ammonia pricing than the highs experienced in FY22 and FY23, as well as the impact of the sales price lag mechanism in customer contracts

Chemicals business outlook

- Strong growth in demand for ammonium nitrate to support domestic mining operations
- Robust gold price continues to support global demand for sodium cyanide

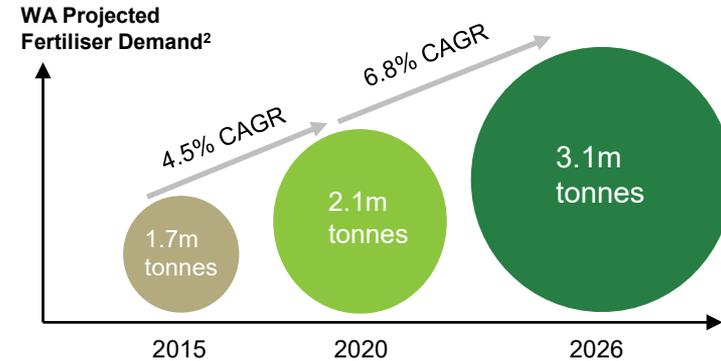
Energy and Fertilisers

Energy



- Performance continues to be impacted by movements the Saudi Contract Price (the international benchmark indicator for LPG)
- Recent strong increases in WA natural gas prices expected to continue over the medium term due to supply constraints
- Ongoing focus on customer service in natural gas retail – Kleenheat brand recognised with the Canstar’s award for Most Satisfied Customers – Natural Gas 2022

Fertilisers



- Continued WA market growth driven by improving yields through the increasing adoption of technology by growers
- Focused on leveraging leadership position through difficult to replicate assets, strong agronomic capability and nutritional services
- Ongoing investment in market leading data, digital and storage capabilities to deliver the best reliability, experience and advice for customers

1. Source: Saudi CP – Gas Energy Australia; Saudi CP Forwards – CME Group; Brent Oil – Bloomberg.

2. Source: Fertilisers market growth – CSBP Fertilisers internal estimates.

Key messages and outlook

- WesCEF is focused on progressing production capacity expansion opportunities to support long-term growth, and driving divisional decarbonisation strategy including evaluation of medium and long-term abatement opportunities
- Earnings remain subject to changes in global commodity prices
 - Significant near-term impacts expected from ammonia price movements and sales price lag mechanism in some customer contracts
 - Ammonia pricing is expected to rise and stabilise from current levels in the medium-term
- Construction of the Mt Holland concentrator is over 90% complete with early commissioning underway
 - Spodumene production from the concentrator expected late calendar year 2023, with first earnings in the first half of calendar year 2024
 - Ongoing focus on completion of refinery, with lithium hydroxide production expected in first half of calendar year 2025



Mt Holland Concentrator – May 2023.

Appendix: WesCEF overview

	Chemicals	Energy	Fertilisers	Lithium
				
Description	Production, sales and distribution of Ammonia, Ammonium Nitrate (AN), Sodium Cyanide and specialty products.	Production, sales and distribution of LPG and LNG. Retailer of natural gas and electricity.	Import, production, sales and distribution of fertilisers and agricultural services.	Management company of JV with SQM (50:50). Developing an integrated battery grade lithium hydroxide project. Product marketed separately by JV partners.
Competitive position	<ul style="list-style-type: none"> #1 WA AN #1 WA Sodium Cyanide #1 AU PVC distribution 	<ul style="list-style-type: none"> #1 WA LPG #1 WA LNG (domestic) #2 WA natural gas retail 	<ul style="list-style-type: none"> #1 WA fertiliser 	<ul style="list-style-type: none"> Strong ESG credentials High quality product Security of supply
Competitive advantage	<ul style="list-style-type: none"> Operational excellence delivering reliable supply Suite of contracts with high quality customers with raw material pass through protection 	<ul style="list-style-type: none"> Trusted local brand Customer service Local manufacturing capability Synergistically located and large scale key infrastructure 	<ul style="list-style-type: none"> Expertise-based value-add services High capacity infrastructure Local manufacturing 	<ul style="list-style-type: none"> Globally significant, high-quality hard rock lithium deposit Partnered with experienced lithium hydroxide producer
Customers	<ul style="list-style-type: none"> Major mining customers Major explosives manufacturers Large global and domestic customers 	<ul style="list-style-type: none"> Households Resources Commercial 	<ul style="list-style-type: none"> Industrial Leisure Power generation 	<ul style="list-style-type: none"> WA growers Elders Independent retailers Building long term customer relationships that value ESG credentials Global EV manufacturers

Wesfarmers Industrial and Safety

Tim Bult

Managing Director

Wesfarmers Industrial and Safety



Blackwoods

NZ Safety Blackwoods

WORKWEAR
GROUP



Divisional overview



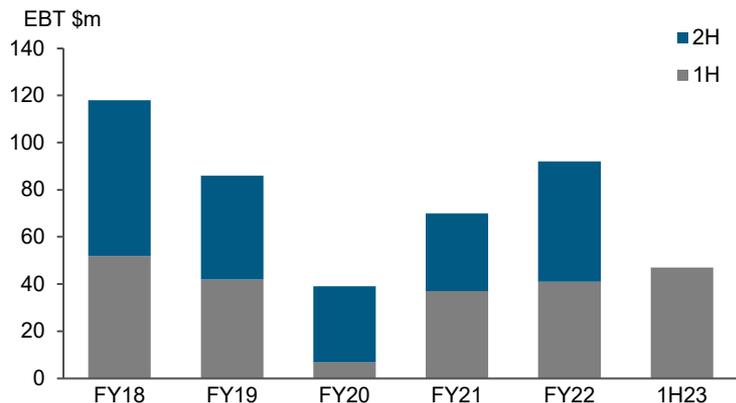
Description	Provider of safety, workwear and industrial supplies	Industrial, medical and specialty gas supplier	Manufacturer and supplier of workwear and uniform solutions
Competitive position	#1 Australia #1 NZ	#3 challenger	#1 for uniforms and industrial workwear
Market dynamic	Fragmented market	Stable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

Providing confidence in the products and services we deliver

Anticipating customer needs	Acting with integrity and honesty	Sourcing ethically	Safe work environment, develop teams and inclusive culture	Supporting communities	Environmental performance
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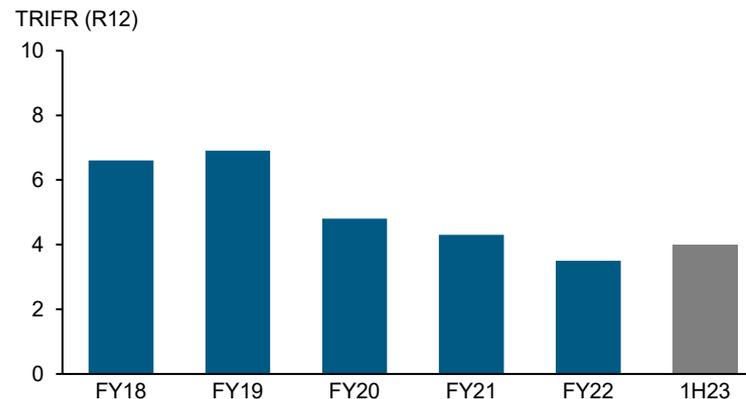
Historical earnings and safety performance

WIS earnings performance¹



- Continued focus on long-term earnings and ROC improvement
- Performance improvements since FY20 supported by higher sales across all businesses
- 1H23 results reflected margin pressure from cost inflation and lags in customer contract pricing, together with ongoing investment in customer service and digital capabilities

WIS TRIFR² (R12)



- Safety and wellbeing of all team members remains a key priority
- TRIFR has improved significantly since FY19, driven by actions and initiatives implemented across all teams

1. Excludes significant items and includes payroll remediation costs. Greencap consulting business divested on 1 August 2022.

2. Total Recordable Injury Frequency Rate.



Business update

- ERP¹ deployment completed
 - System now runs across all Blackwoods Australia in operations and finance
 - Focus is on optimising the system to accelerate service and efficiency improvements
- Strengthening relationships with strategic customers
- Progressed integrated supply program, delivering end-to-end procurement solutions for customers
- Continued investment in digital capabilities to improve customer experience



Current priorities and growth

- Restore margin erosion currently being experienced due to cost escalations and timing lag in changes to customer contract pricing
- Enhance customer value proposition through unbeatable range, reliability, expertise and ease to do business
- Transform the business model including through increased use of data and digital tools
- Continue to improve operating efficiency, leveraging benefits of ERP system
- In NZ, range growth in the engineering category and ongoing trade store refresh program

1. Enterprise Resource Planning system.

Coregas and Workwear Group



- Agility and technical innovation driving growth in Mining, Healthcare and LNG
- Continued growth in disruptive Trade N Go Gas offer
- Leveraging expertise in hydrogen
 - Commissioning heavy-vehicle hydrogen refueling station
 - Active in several opportunities in Australia and New Zealand
- Net Zero is expected to drive Industrial Gas demand over the long term



- Strong market position from key brands supported by new product innovation and development, and improved service levels
- Targeted uniform growth in essential sectors and strengthening its customer proposition
- Continuing to invest in technology to further enhance customer offer and simplify the business



UNIFORMS



Key messages and outlook

- Focused on continuing to improve the customer value proposition, enhance operational capabilities and execute new growth opportunities
 - Providing confidence in the offer by delivering the right product with reliable supply
 - Investing in data and digital capabilities to improve efficiency and value of offer
- Market conditions remain uncertain so actively managing the impacts of:
 - Cost inflation
 - Labour availability constraints
 - Product availability pressures
- Focused on building market share and integrating sustainable practices to ensure long-term profitability
- Margin erosion currently being experienced is expected to recover as supply prices stabilise



Wesfarmers Health

Emily Amos
Managing Director
Wesfarmers Health





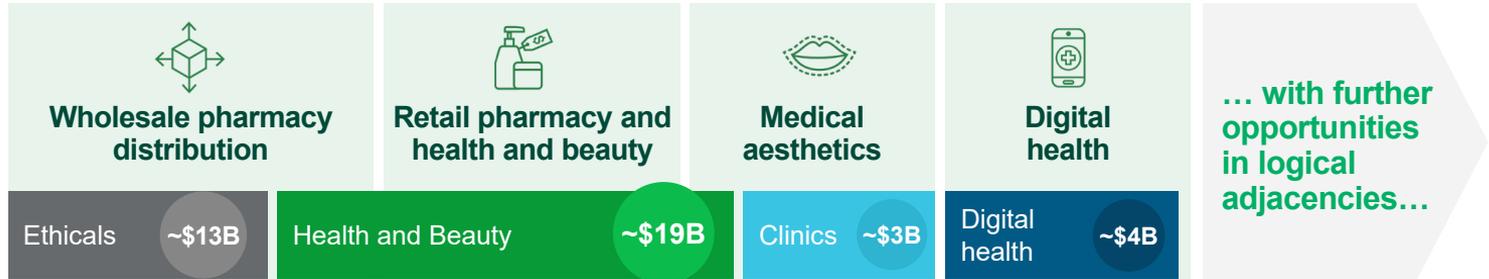
Our goal is to make Australians' health, beauty and wellness experiences simpler, more affordable and easier to access

Complementary portfolio of health, wellbeing and beauty businesses

	 Wholesale pharmacy distribution	 Retail pharmacy and health and beauty	 Medical aesthetics	 Digital health
Description	National wholesale distributor supplying to 2,500+ pharmacies	Leading network of franchised pharmacy and retail stores	Large player in non-surgical medical aesthetics market	Investment in digital health business with 300+ medical-grade health stations
Sources of competitive advantage	<p>One of only four national full-line pharmaceutical wholesalers</p> <p>Difficult to replicate national distribution infrastructure</p>	<p>Strong brand and differentiated offer</p> <p>Established retail network</p> <p>One of Australia's largest loyalty programs (Sister Club)</p>	<p>Leading team of highly-trained therapists, nurses and doctors</p> <p>Established physical network</p>	<p>Proprietary data set on population health</p> <p>Class IIA medical device classification</p>
	   	 		

Attractive and growing addressable market

Core businesses have an addressable market of ~\$40b...



...supported by significant sector tailwinds

Increasing health spend from aging population and more health-conscious consumer



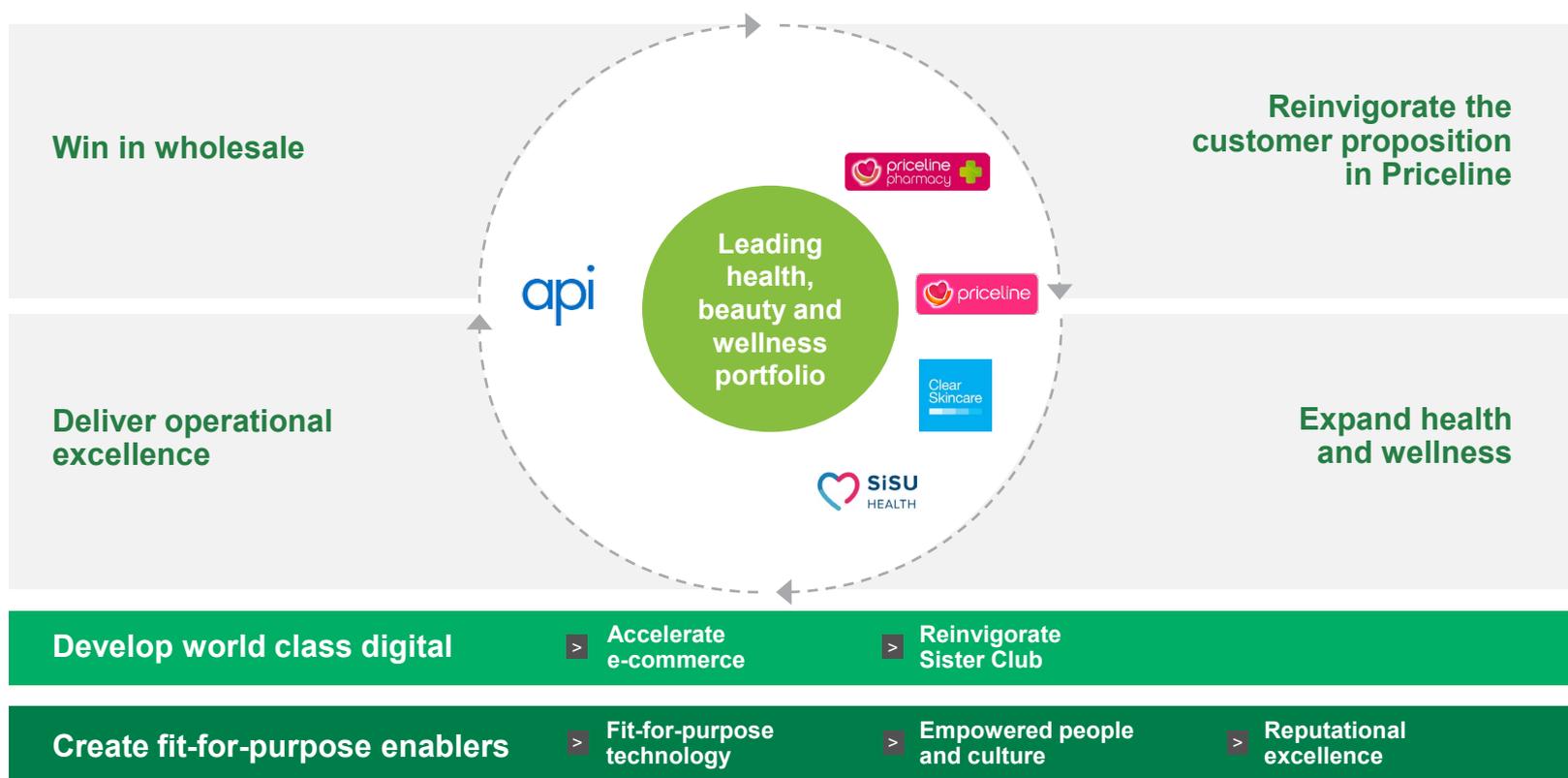
Growing demand for beauty & wellbeing products and services



Accelerating digitisation of customer journeys in healthcare



Accelerate – Transformation plan for core business



Win in wholesale and deliver operational excellence



Enhance service offer:

- Expand category management and merchandising capabilities
- Invest in technology to better serve customers



Improve service levels: availability, on-time delivery, consistency of performance



Strengthen salesforce capability and pursue brand conversion opportunities



Increase efficiency:

- Continue to invest in automation and optimisation of DC¹ network to reduce costs and improve performance
- Optimise range and stock levels, supported by improved forecasting, to unlock working capital benefits



Reinvigorate the customer proposition in Priceline

↻ Reset Priceline pharmacy fundamentals

- Rationalise range and space allocation
- Continue to optimise pricing and improve promotional effectiveness
- Improve private label penetration
- Improve on-shelf availability

⚙️ Optimise and refurbish franchise store network

💰 Continue to invest in technology, digital experience and omnichannel

✍️ Redefine offer in company-owned stores and rationalise underperforming stores

🏆 Expand Sister Club benefits



Expand health and wellness



Strengthen the customer and employee value proposition



Review and optimise network



Explore partnerships and synergies with other Wesfarmers Health businesses and brands



Investigate digital health opportunities



Key messages and outlook

- Opportunity for Wesfarmers Health to play a valuable role in improving the health outcomes of Australians – making health, beauty and wellness experiences simpler, more affordable and easier to access
- Wesfarmers Health has a complementary portfolio of health, wellbeing and beauty assets and is well positioned to capitalise on health sector tailwinds
- Since acquisition, focus has been on integration activities and the development of transformation plans for the core business
- Focus is now on the delivery of actions as part of the ‘Accelerate’ transformation plan, including resetting the wholesale proposition, optimising the supply chain, expanding the network and reinvigorating Priceline, and expanding health and wellness
- Actively managing changes associated with a decline in COVID-19 related activity, regulatory reforms such as PBS price changes and 60-day dispensing, and a more value-conscious consumer
- Actively pursuing growth opportunities across digital health, medical aesthetics and wholesale pharmaceutical markets to deliver long-term profitable growth

Panel Q&A – WesCEF, Industrial and Safety, Health

Ian Hansen
Managing Director,
Wesfarmers Chemicals,
Energy & Fertilisers

Tim Bult
Managing Director,
Wesfarmers Industrial
and Safety

Emily Amos
Managing Director,
Wesfarmers Health





Wesfarmers