

Wesfarmers Ltd 2022 AGM report

ASX code	WES
Meeting date	27 October 2022
Type of meeting	Hybrid
Monitor	John Campbell assisted by Ian Berry
Pre AGM-meeting	Yes, with chair and remuneration committee chair

Meeting Statistics

Number of holdings represented by ASA	1,431
Number of shares represented by ASA	3,330,584
Value of shares represented by ASA	\$148.3m
Total number attending meeting	1,149 total (in person and online)
Market capitalisation	\$50.5 billion
ASA open proxies voted	Poll - ASA voted in favour of all the resolutions

The chairman, Michael Chaney, commented that FY22 had been a very trying year with disruptions from covid-shutdowns, absenteeism and sick leave, and supply bottlenecks. He emphasised WES' long-term focus, claiming that TSR since 1984 is 1,600 per cent greater than that of the ASX AOX TSR. He commented on today's announced changes to employment laws indicating support for some changes but concern over the multi-employer bargaining proposal and over the absence of measures needed to simplify existing awards and enterprise agreements which were undermining productivity.

Group MD Rob Scott commented that retail trading conditions in the period since balance date were robust with some discernable changes in consumer spending and continuing strong commercial demand at Bunnings compensating lower growth from DIY customers. Other divisions were going well, and WES was well-positioned for a challenging future environment in terms of domestic and international economic uncertainties. His priorities at present were the development of the WES data ecosystem to support growth and profitability (he recommended shareholders sign up for OnePass membership), to realise value from recent investments (primarily Mt Holland lithium and Aust Pharmaceutical Industries) and to accelerate the pace of continuous improvement across the Group. The addresses are linked below.

The formal business attracted few questions – we congratulated WES on winning the best-in-industry-sector gold award for its 2021 Annual Report but commented that we would prefer to see take-home pay disclosed for executives. Questions in general business were many and varied – corporate remuneration out of hand (denied – responding to requirements of the roles and the importance of maintaining competitiveness in the market), carbon emission reduction targets in WesCEF (reliant on yet to be developed carbon reduction techniques to achieve net-zero

emissions by 2050), extent of reliance on China for supply of product (diversity in source of supply prioritised), cyber security/insurance (significant resources being applied to stay on top of it), round of applause for sausage sizzles, annual re-election of all directors and provision of number of shareholders voting for/against resolutions (not seen to be necessary or desirable). We asked Mr Scott how long the ramp-up to nameplate production would take after commercial production of lithium hydroxide was achieved in the second half of CY24, and were advised 6-9 months. Sales of spodumene concentrate would provide meaningful cashflow in the meantime.

See the Chair's and Managing Director's address here:

https://wesfarmers.gcs-web.com/static-files/29bbc023-0a74-42e5-bb6c-30c0e24065e1/?auth_token=f77014b8-a01a-4d5c-a2cb-28689c3d3c5d

ASA Disclaimer

This document has been prepared by the Australian Shareholders Association Limited ABN 40 000 625 669 ("ASA"). It is not a disclosure document, it does not constitute investment or legal advice and it does not take into account any person's particular investment objectives. The statements and information contained in this document are not intended to represent recommendations of a particular course of action to any particular person. Readers should obtain their own independent investment and legal advice in relation to the matters contemplated by this document. To the fullest extent permitted by law, neither ASA nor any of its officers, directors, employees, contractors, agents or related bodies corporate:

- *makes any representations, warranties or guarantees (express or implied) as to the accuracy, reliability, completeness or fitness for purpose of any statements or information contained in this document; or*
- *shall have any liability (whether in contract, by reason of negligence or negligent misstatement or otherwise) for any statements or information contained in, or omissions from this document; nor for any person's acts or omissions undertaken or made in reliance of any such statements, information or omissions.*

This document may contain forward looking statements. Such statements are predictions only and are subject to uncertainties. Given these uncertainties, readers are cautioned not to place reliance on any such statements. Any such statements speak only to the date of issue of this document and ASA disclaims any obligation to disseminate any updates or revisions to any such statements to reflect changed expectations or circumstances.