AUSTRALIAN
SHAREHOLDERS'
ASSOCIATION

A very solid result and a change of leadership at the AGM

Company/ASX Code	Wesfarmers Limited/WES
AGM time and date	Thursday, 29 October 2026 at 1.00 WST, Product Show from 11.00 AM
Location	Perth Exhibition and Convention Centre, Mounts Bay Road, Perth WA
Registry	Computershare
Type of meeting	Hybrid: https://meetings.lumiconnect.com/300-253-060-326
Monitor	Geoff Read and Lynne Emmerton
Pre-AGM Meeting	Yes, with Chair Michael Chaney, plus others.

Monitor shareholding. One of the monitors who prepared this report has a beneficial interest in this company.

1. How we intend to vote

No.	Resolution description	
2a	Re-election of a director Sir Bill English	For
2b	Re-election of a director Alan Cransberg	For
2c	Election of a director Ken Mackenzie	For
3	Adoption of the remuneration report	For
4	Grant of KEEPP shares to the Group Managing Director	For

2. Summary of Issues and Voting Intentions for AGM

- Bunnings and Kmart are performing strongly. Officeworks and the health division are profitable but remain subject to 5-year improvement plans.
- The Chair described the startup process at the Kwinana lithium hydroxide refinery and told us that some troubleshooting was always anticipated. The project is broadly on schedule and within budget, the first lithium has been produced, and the quality of the output is very high and achieving good prices.
- Wesfarmers has approved the expansion of the Mount Holland lithium mine and concentrator. The project is to be funded from existing debt facilities and drawn down over an extended period.
- Wesfarmers has folded the Industrial and Safety business into the Bunnings Group, agreed to sell Cm3 (contractor management software business within the Blackwoods/Industrial and Safety Group) to Achilles Group, and entered the Built Living joint venture with Built Group. The joint venture will build prefabricated apartments of up to 11 floors.

3. Matters Considered

Accounts and reports

In 2026 Wesfarmers produced a profit of $2.8 billion on turnover of $47.2 billion, down marginally from the prior year. This equated to a return on equity of 35.5%.

Dividends for the year totalled $2.22 per share being 7.0% above the prior year.

Financial performance

Bunnings and Kmart performed strongly. Officeworks declined a little and the Health division's return was flat despite higher revenue.

The annual report considers financial impairments for each cash generating unit (CGU). This is completely usual. However, this year there is commentary about the Health CGU and the Lithium CGU which states that no impairments were necessary this year and describes how these CGUs will be closely scrutinised for changes in operating conditions in the future.

Wesfarmers returned $1.7 billion to shareholders in December 2025 via a capital return and special dividend, lifting net debt to equity to 66.1% (FY25: 47.1%), well within debt facilities and reserves.

See the table below for the divisional returns and capital components. ROCE is return on capital employed.

Division	Revenue $ Billion	EBT $ Billion	Funds Employed $ Billion	ROCE %	Cash CAPEX $ Million
Bunnings	20.4	2.45	3.55	69.2	359
Kmart	11.75	1.11	1.62	68.3	256
WESCEF#	3.14	0.47	3.75	12.6	365
Officeworks	3.7	0.165	1.266	13.0	105
Industrial and Safety	1.76	0.076	773	9.8	38
Health	6.47	0.076	1.8	4.2	70
Total Group	47.27	4.184	13.97	35.5*	1194

*Group ROE,
CEF is Chemicals, Energy and Fertilizer.

Five-year Financial Summary

(As at FYE)	**2026**	**2025**	**2024**	**2023**	**2022**
NPAT ($m)	2874	2926	2557	2465	2352
UPAT ($m)	2874	2653	2557	2465	2352
Share price ($)	90.4	84.75	65.18	49.34	41.91
Dividend (cents)	222	206	194	191	180
Simple TSR (%)	11*	33.1	36	22.3	-22.8*
EPS (cents)	253.4	258	225.7	217.8	207.8
CEO total remuneration, Statutory ($m)	8.256	7.34	7.117	8.175	7.951

*Simple TSR adjusted for 2022 and 2026 to include the return of capital paid in FY22 and FY26.

Director Changes

At the 2023 AGM Michael Chaney announced that he proposed to retire as chair in 2026 having served as chair for 11 years and contributed to Wesfarmers' success for almost 40 years.

In August 2025 Wesfarmers announced that its board had resolved to appoint Ken MacKenzie as chair to succeed Michael Chaney from the conclusion of Wesfarmers' 2026 Annual General Meeting.

Mr MacKenzie joined the Board of Wesfarmers on 1 June 2026 and will stand for election as a director at the 2026 AGM. Mr MacKenzie has been through an induction process spanning all divisions over the past 5 months.

Prior to the commencement of the AGM at 12.30 Michael Chaney will speak on his experiences at Wesfarmers over the past 40 years.

Governance

Wesfarmers has robust governance reflective of a large, mature company. The board members have a balance of all the skills necessary, and gender balance at the board and executive level is satisfactory.

All the KMP have substantial shareholdings and directors are required to achieve a substantial shareholding within 5 years of first appointment. All the directors have achieved this goal or are well on the way towards it. This year Wesfarmers has introduced a NED equity purchase plan which allows directors to use their fees to buy shares throughout the year without individual decision making. This allows them to increase their shareholding even though they may possess some privileged information.

Wesfarmers announced in FY25 that it proposed to change the external auditor in 2028 from EY to KPMG subject to shareholder approval. Wesfarmers is satisfied with the probity of the local KPMG partners. During the current year, Wesfarmers will review the performance of both EY and KPMG.

Sustainability

The Board is to be congratulated this year for including a full sustainability report in the annual report and achieving full audit compliance. This makes Wesfarmers one of the first to achieve this requirement and it is four years ahead of the requirements of the Corporations Act.

Key events

During the year Wesfarmers sold the management rights to the Bunnings Warehouse Property Trust (BWP) to BWP for a consideration of $143m comprising cash and shares. Multiple renewed Bunnings leases and various capital improvements by BWP were included in the agreement. This agreement was endorsed by BWP shareholders and concluded in August 2025. Wesfarmers now owns 23.44% of BWP. Also during the year Wesfarmers dismantled the BPI property trust which owned seven Bunnings stores. None of the properties were sold to BWP. The total received was $379m. The sale of CoreGas was completed, $760m was received.

This sale hollowed out the Industrial and Safety division and the residual components (Blackwoods and Workwear) were merged into Bunnings on 1 July 2026. The objective is to assist Bunnings in increasing revenue from small and medium business customers.

4. Rationale for Voting Intentions

Resolution 2a Re-election of a director Sir Bill English. FOR

Sir Bill English was first elected to the board in 2018. He is an independent director. His background is in the government of New Zealand including as Prime Minister. He has an extensive list of other directorships in smaller companies and community businesses.

Resolution 2b Re-election of a director Alan Cransberg. FOR

Alan Cransberg was first elected to the board in 2021. He is an independent director. His background is in engineering, mining and resources. He was previously the chair of Alcoa Australia.

Resolution 2c Election of a director Ken Mackenzie. FOR

Ken Mackenzie joined the board in June 2026. He is an independent director and the Chair-elect.

His background is in engineering management. He was previously the MD of Amcor and the Chair of BHP from 2017 until 2025.

Resolution 3 Adoption of the remuneration report. FOR

The remuneration report is comprehensive. Wesfarmers reviews remuneration annually, with directors' fees benchmarked against ASX25 companies, and KMP remuneration against ASX10 and peer companies relevant to the division. It is also complicated due to the nature of the KEEPP executive remuneration plan.

KEEPP performance shares are designed to reward executives for achieving strategic outcomes that result in long-term shareholder returns. A performance scorecard assesses the performance of KMP to inform their remuneration. This year good outcomes were achieved in all areas. Senior executives received a performance score between 64% and 94%, and the CEO received a score of 94%.

Wesfarmers has declined our request to provide a table of the take-home pay of the key executives (similar to that provided by other companies), stating that there is no accounting standard for this information and that the long-term nature of this remuneration scheme makes this unrepresentative. The annual report contains the statutory remuneration tables as defined by the accounting standards. For this year, the statutory remuneration for the CEO was $8.256m.

With some searching and analysis, it is possible to estimate the take-home pay of the CEO. $2.79M was paid in cash and benefits, plus he will receive $3.96M in deferred shares subject to shareholder approval, plus he received 69,544 KEEPP performance shares from FY2022. If we assume a value of $83 per share at the time of vesting this means his total take-home pay to 30 June 2026 was approximately $12.52M.

Using the same method his take-home pay for 2025 was estimated at $11.36M.

The CEO's fixed base pay increased from $2.6M to $2.8M on 1 October 2025. (See Appendix 1).

During the 2024 year the board fees were assessed against like companies and as a result the Chair's fees increased by approx. 15% and directors' fees increased by approx. 8% from 1 July 2025.

Resolution 4 Grant of KEEPP deferred shares and KEEPP performance shares to the Group Managing Director. FOR

It is proposed to allocate a share-based award to the CEO valued at $7.92m (compared to a maximum of $8.4m) comprising $3.96m for deferred shares and $3.96m for performance shares. The number of shares allocated will be decided by dividing the dollar amount by the VWAP price of the shares on the ASX during the period from 1 September 2026 to 14 September 2026. The CEO does not receive a cash incentive for the annual performance results.

The deferred shares will vest over 4, 5 and 6-year periods and cannot be sold under normal conditions.

The performance shares have financial and strategic performance conditions. The number of performance shares that vest for the CEO will depend on the total shareholder returns for the four-year period ending on 30 June 2030 (80% weighting) and performance against portfolio management and investment outcome conditions (20% weighting).

The KEEPP incentive plans generally align with the ASA's remuneration guidelines.

Appendix 1

Remuneration framework detail for the Group Managing Director

CEO rem. Framework for FY2027	Target $m	% of Total	Max. Opportunity $m	% of Total
Fixed Remuneration	2.8	33.3%	2.8	25%
STI - Cash	0	0%	0	0%
Deferred Shares	2.8	33.3%	4.2	37.5%
Performance Shares	2.8	33.3%	4.2	37.5%
Total	8.4	100.0%	11.2	100%