



<b>Company</b>	Wesfarmers Limited
<b>Code</b>	WES
<b>Meeting</b>	AGM
<b>Date</b>	<b>21 October 2021</b>
<b>Venue</b>	Perth Convention and Entertainment Centre (Hybrid)
<b>Monitor</b>	John Campbell assisted by Ian Berry

<b>Number attendees at meeting</b>	243 shareholders plus 69 visitors in person, and 179 shareholders and 194 visitors online.
<b>Number of holdings represented by ASA</b>	1441
<b>Value of proxies</b>	\$194m
<b>Number of shares represented by ASA</b>	3.5 million (equivalent to 14th largest holder in Top 20 list)
<b>Market capitalisation</b>	\$63 billion – on day of meeting
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre AGM Meeting?</b>	Yes, with Remuneration Chair Mike Roche

### Wesfarmers shines through COVID challenges

Chairman Michael Cheney was positive on the results with every division reporting increases in profit in FY21 despite the challenges of COVID. He reminded attendees that Wesfarmers focussed on the long term rather than the most recent year's results. Recently, the group had invested in a lithium mine and a final investment decision was expected soon on building a lithium hydroxide plant at Kwinana. He was sure that the next 10 years would provide further substantial change in group composition and profit contributions.

Group MD Rob Scott said that lockdowns had significantly impacted trading conditions for the Group's retail businesses since year-end. There had been periods during which almost half of WES retail stores were either closed or restricted in some way. Sales at Bunnings had been down 4.7% in July-August, but had become 'robust' subsequently, while results in Kmart and Target have continued to be

impacted by temporary store closures. The group had seen strong sales growth across in re-opening stores, demonstrating a level of pent-up customer demand. Trading performance in states and regions less impacted by restrictions has been resilient. Online sales had remained strong - on a year-to-date basis, over half of Officeworks' sales have been online and Kmart and Bunnings had online penetration of 21 and 6 per cent respectively. Demand for ammonium nitrate was strong and the Kleenheat business has benefited from favourable LPG pricing as a result of broader strength in global energy prices. Wesfarmers was progressing its bid for Australian Pharmaceuticals and had 19.3% of API shares.

The ASA congratulated Wesfarmers on the good result for FY21 and supported all resolutions including the remuneration report, despite the lack of disclosure of take-home pay, which was disappointing. All resolutions concerning the re-election or election of directors passed. The remuneration report and the resolution on the award of share rights to the Group MD attracted only 3% and 2% adverse votes. The capital return of \$2 per share unsurprisingly attracted 99.8% support.

Questions on emissions disclosed that the introduction of a catalyst in nitric acid production has resulted in significant emission reduction in the fertiliser plant. We were told that the total expected investment in lithium hydroxide would involve close to \$2 billion of which WES share was 50%. Disruption to supply chains was being minimised by locating alternative supplies and except for increased shipping costs Wesfarmers was not suffering unduly.