

CELEBRATING RECONCILIATION



OUR 2018 JOURNEY



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Welcome to Wesfarmers' 2018 celebration of our journey towards reconciliation.

This booklet contains stories which showcase some of the activities, programs and celebrations from across our businesses as we work together to 'close the gap' on Indigenous disadvantage.

It also contains commitments from our Reconciliation Action Plan (RAP), as we look to build on our progress to date.

The Wesfarmers RAP for 2017 – 2020 can be found online at www.wesfarmers.com.au/rap



Blackwoods' Indigenous Recruitment partner, Newstart Australia's Managing Director, Daniel Phillips (standing left) working with Blackwoods team members during a cultural awareness session.

OUR RECONCILIATION ACTION PLAN

Our RAP contains high-level actions and targets that will drive our businesses towards our goal of a workplace that reflects the diversity of the communities in which we operate.

Wesfarmers produced its first RAP in 2009, with a focus on relationships, respect and opportunities. Using the RAP as a guide, our businesses identify and implement opportunities that best align with their operations. As Australia's largest private sector employer, we believe we can provide Indigenous people with greater opportunities to participate in sustainable employment. This is the primary focus of our RAP.

In 2014, we made the decision to change our reporting period from a calendar year to financial year. This aligns our RAP with our annual report and sustainability report.

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, its diverse business operations cover: supermarkets, liquor, hotels and convenience stores; home improvement; department stores; office supplies; and an Industrials division with businesses in chemicals, energy, fertilisers and industrial safety products. Wesfarmers is Australia's largest private sector employer with approximately 217,000 employees (including more than 5,200 Indigenous team members) and is owned by approximately 495,000 shareholders.

OUR RAP LOGO

Our RAP logo was created with support from Marcus Lee Design and depicts 'yonga tracks', the name given to the kangaroo by the Noongar peoples of Western Australia. The yonga will travel long distances to find life-sustaining food and water. For Wesfarmers, the yonga tracks represent the long, yet sustainable, path that we are on in our RAP journey.



In this document the term 'Indigenous' is intended to reflect all Aboriginal and Torres Strait Islander peoples



MESSAGE FROM OUR MANAGING DIRECTOR

When we published our first Reconciliation Action Plan (RAP) in 2009, we made a commitment to ensuring our businesses are places where Indigenous people feel welcome and valued as employees, customers and citizens.

Our commitment remains unchanged and looking for opportunities to 'close the gap' is still at the heart of everything we do in this area. We have made some mistakes and learnt a lot on this journey, but it is terrific to see our businesses gaining traction in some important areas.

The opportunity to provide genuine, sustainable employment to Indigenous people is significant for a business the size of the Wesfarmers Group.

In June 2018, Wesfarmers hit a new peak of 5,228 Indigenous team members.

This milestone meant that our business became the largest employer of Indigenous community members in Australia. It is important to us that Indigenous team members participate fully in career progression and development opportunities.

We are also focused on increasing the diversity of our supplier base. This is another area where we can make a difference to the economic prosperity of Indigenous people and communities, while also enhancing our own businesses. Since our first RAP, our spend with Indigenous suppliers has increased year-on-year, and we continue to look for further opportunities to develop our supplier relationships.

Our RAP is governed by a steering committee that includes senior executives, including the managing directors of our Bunnings and Department Stores divisions, Indigenous team members and an external Indigenous community member. The committee helps guide the direction of our RAP, and is championed by employees right across the Wesfarmers Group.

I would like to thank everyone involved for their commitment as we continue in our efforts to help close the gap on Indigenous disadvantage.

Rob Scott
Managing Director
Wesfarmers



MESSAGE FROM RECONCILIATION AUSTRALIA

When I look back over nearly a decade of Wesfarmers' Reconciliation Action Plan journey, what stands out for me is its people. From the Chairman, to businesses managing directors, right through to floor staff and cadets, at every level there is buy in. It is inspiring to read how each differing business unit of Wesfarmers has embraced and taken ownership to drive reconciliation and create initiatives that deliver outcomes tailored to their core business.

And the results speak for themselves. As the largest employer of Aboriginal and Torres Strait Islander people, with impressive year-on-year growth, Wesfarmers is making a difference in the lives of many Indigenous people and their families. By building a culturally capable workforce, this in turn is also having a positive impact for non-Indigenous staff, Wesfarmers customers and the many communities across the country in which they operate.

But it doesn't just start and stop within the businesses. Extending partnerships in the arts, with literacy programs, supplier diversity and thinking innovatively about how to use their sphere of influence and broad footprint, Wesfarmers demonstrates how reconciliation can equal good business.

As a Stretch Reconciliation Action Plan partner, I commend Wesfarmers on their successes to date, challenge them to continue thinking boldly, and look forward to them raising the bar as we progress towards a just, equitable and reconciled Australia.

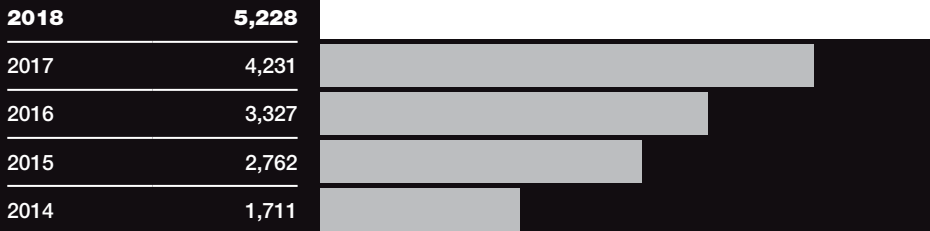
A handwritten signature in black ink, appearing to read 'Karen Mundine'.

Karen Mundine
Chief Executive Officer
Reconciliation Australia

WESFARMERS GROUP

INDIGENOUS EMPLOYMENT AND PROCUREMENT

Indigenous employment as at 30 June 2018



Indigenous supplier spend for the year ended 30 June 2018



BUNNINGS CAIRNS COMMUNITY ENGAGEMENT

This year, Bunnings participated in 1,500 community activities that benefitted Aboriginal and Torres Strait Islander organisations and charities across Australia. This reflects Bunnings' commitment to meaningful and active participation in the community, where ongoing support is provided to a wide range of local community groups.

In the past 12 months, the team from Bunnings Cairns Central have been involved in more than 40 local activities with Indigenous organisations. A recent example of success included local engagements with the Clontarf Foundation – an organisation that exists to improve the education, discipline, life skills, self-esteem and employment prospects of young Aboriginal and Torres Strait Islander men.

Bunnings Cairns Central has supported Clontarf students by participating in events to help raise awareness around domestic violence, running DIY workshops to restore garden hubs, donating and installing kitchens

in the Clontarf Academy rooms and providing equipment to support community projects.

Bunnings Cairns Central has also implemented a program assisting high school students with work experience that contributes to the completion of the students Queensland Certificate of Education. Cairns Central Warehouse Manager and Cairns local for 35 years, Brett Hannam, believes local employers have a bigger role to play when it comes to youth unemployment.

'We have to understand that if we can help a student complete Grade 12 by providing on-the-job experience, then we are adding value to the community,' he said.

Bunnings will continue to focus on what it does best, and that is supporting their local communities where this type of meaningful contribution makes a positive difference.



Bunnings Cairns Central engaging with local Clontarf students.

KMART ALICE SPRINGS PUTS INDIGENOUS ARTWORK FRONT AND CENTRE

Kmart engaged Indigenous creative agency Gilimbaa to develop an artwork that could express, from a national perspective, Kmart's acknowledgement and celebration of Aboriginal and Torres Strait Islander culture, peoples and connection to communities.

Emmalene Herrod, Kmart Diversity Manager, explains: 'the main focus of our Diversity and Inclusion program is to create employment opportunities and ensure that our store teams reflect the diversity of the communities where they work. However, equally important is how Aboriginal and Torres Strait Islander customers feel about shopping in our stores, and that's why we commissioned "Ignite the Wonder," to ensure that our Indigenous customers feel welcome too.'

Designed by Gilimbaa artist and Goreng Goreng woman, Rachael Sarra, the artwork depicts joy and wonder in the community and the relationships that Kmart has nurtured. The artwork is made of different elements that are built into the design, to share many aspects of our connection to one another. Some of the elements include journey lines, ancestors, family, team members and communities.

Alice Springs was chosen as the first Kmart store to have the artwork installed. The Kmart team worked closely with Gilimbaa over many months including community visits to Alice Springs to meet with local leaders and provide context for the artwork. Rachael's family, including Gilimbaa consultant and Rachael's Uncle Michael Williams, were crucial in community conversations and connections, making it a truly collaborative project.

On 16 March 2018, the store team unveiled the 'Ignite the Wonder' artwork to the wider community, followed by morning tea for all those involved.

Kate Thiedeman, Kmart Community Manager, said 'the opportunity for the Kmart business to work with Gilimbaa to create this unique artwork has been a very satisfying experience. It's truly connected our stores to Gilimbaa and the wider community. Additionally, we have this beautiful, lively creation to help us express our support for a diverse and rich culture.'

Phil Sillifant, Wesfarmers Manager Aboriginal Affairs, added 'this initiative is a fantastic step forward in Kmart's reconciliation journey. It symbolises Kmart's desire to build a meaningful relationship with the communities in which it operates.' The artwork is a symbol of Kmart's respect and intent on creating real opportunities for Aboriginal and Torres Strait Islander peoples and will be displayed across numerous sites throughout Australia.



Rachael Sarra, Goreng Goreng artist, Gilimbaa Creative Agency, with the Kmart Artwork behind.

OFFICEWORKS AND ALNF DISCUSS EDUCATION OUTCOMES WITH ADAM GOODES

Officeworks celebrated National Reconciliation Week this year with their long-term partner, The Australian Literacy and Numeracy Foundation (ALNF).

Officeworks organised an event to highlight the work of ALNF and Officeworks and how they are affecting the communities where they are active. ALNF Ambassador and Board Member, Adam Goodes, spoke to the team at our Melbourne Support Office about how education is the key to change. Adam also spoke about how ALNF is progressing towards its goals with the support of Officeworks and their customers to provide for their Indigenous programs.

ALNF runs programs across Queensland, Northern Territory, Victoria, New South Wales and South Australia through preschools, schools, early learning centres and community centres. Officeworks has partnered with ALNF for six years with the purpose of 'helping make bigger things happen' for Indigenous communities through education, specially ALNF's Early Language and Literacy Program.



Wall of Hands launch event at Officeworks Alexandria, NSW with (from left to right) Brett Kelly, Officeworks General Manager Supply Chain, Jesinta Franklin, ALNF Ambassador, Karl Winther, Officeworks National Marketing Manager, Adam Goodes, ALNF Ambassador and Board Member, and Hannah Hudson, Officeworks National Partnerships Coordinator.

WESCEF THROWS A SPOTLIGHT ON INDIGENOUS OPPORTUNITIES

Wesfarmers Chemicals, Energy & Fertilisers (WesCEF) has developed a program that engages major on-site contractors with the aim of creating employment opportunities for Aboriginal and Torres Strait Islander people.

WesCEF Procurement Specialist Desmond Roche and Aboriginal Development Consultant Noelene Mantellato initiated the program after a review of contractor agreements showed that many opportunities could be created within WesCEF's supply chain. The review also revealed that many of WesCEF's suppliers understood the value of having Indigenous employees. However, suppliers were not aware of how to create and leverage employment opportunities on short-term projects.

The program, named 'Creating Opportunities Spotlight,' involved inviting WesCEF suppliers to their Kwinana facilities, where they heard a presentation on how the business valued its engagement with the local community.

Presenters highlighted the opportunity for meaningful employment. The audience heard first hand from WesCEF's Indigenous team members, about the value of local job opportunities.

Since its first iteration, the program has created more than 40 employment opportunities for Indigenous people in WesCEF's supply chain. In May 2018, Creating Opportunities Spotlight won the award for Excellence in Training and Professional Development at the West Australian Transport, Supply Chain and Logistics Awards.

Mr Roche and Mrs Mantellato believe WesCEF has showcased a best practice approach to how suppliers can build relationships with the community, develop culturally respectful processes and create and promote employment opportunities for Indigenous people.



WesCEF team members (from left to right) Desmond Roche, WesCEF Procurement Specialist, Noelene Mantellato, Aboriginal Development Consultant, and Corey Collard, Apprentice Mechanical Fitter, Kleenheat.

WESFARMERS INDUSTRIALS BUILDS RESPECT FOR INDIGENOUS CULTURE

Wesfarmers Industrials business, Blackwoods, believes in creating an inclusive, safe, respectful and effective workplace. The real value of an inclusive workplace is that team members from diverse backgrounds, skills and experiences feel confident in engaging and contributing to the business. In order to support interaction and work by teams of varied cultural backgrounds, Blackwoods prioritised cultural training sessions to share the history, values and beliefs of Aboriginal and Torres Strait Islander peoples.

In 2018, Blackwoods refreshed and created a new web-based induction program for new starters. Content included a quiz focusing on elements of Wesfarmers' RAP and was completed by more than 1,000 Blackwoods team members. Face-to-face cultural awareness training enhanced the new induction program. Newstart Australia is Blackwoods' Indigenous Recruitment partner.

Newstart Australia's Managing Director, Daniel Phillips, along with Blackwoods Indigenous Engagement Manager, Barry Hoare, delivered sessions to 700 Blackwoods team members with interactive workshops detailing the intent and pillars of the Blackwoods program, and customer and community expectations over time. Participants heard and shared experiences spanning recruitment, onboarding, induction, management, retention and development of Indigenous talent, and experiences growing relationships with Indigenous partners.

Blackwoods team members from all areas of the business participated in the cultural program in 2018.

The most recent Blackwoods survey highlighted that 84 per cent of all employees believe that the business actively supports Indigenous diversity initiatives. Positive outcomes of the sessions included increased cultural appreciation, high attendee satisfaction and an increased understanding of the inclusive workplace Blackwoods aims to continue creating.



Blackwoods' Indigenous Recruitment partner, Newstart Australia's Managing Director, Daniel Phillips (standing) working with Blackwoods team members (from left to right) Mahnaz Aghazamani, Kiara Ratcliff and Lasith De Fonseka as part of cultural awareness training at Macquarie Park, NSW.

WESFARMERS INDUSTRIALS SUPPLIER: THE BUILDER – SYDNEY

Blackwoods contractor, Jason Tejon, owner of The Builder – Sydney, recently completed the demolition, rebuild and fit-out of the new Blackwoods Internal Sales and Customer Service Centre of Excellence at Macquarie Park in Sydney.

Jason has more than 24 years of industry experience, and runs his own successful residential, commercial, construction, building and fit-out company. Jason's business has forged a reputation for quality delivery, on-time and within budget.

Over the past nine years, Jason has honed and enhanced his business. Several years ago, he was successful in winning a small project at an inner Sydney suburb for Wesfarmers Industrials. Earlier this year, leveraging his success on this assignment, Jason tendered against many of the largest businesses in the industry for our large Centre of Excellence project at Macquarie Park.

It was only after Jason and his growing team began demolition work, that he shared with Blackwoods that he was Aboriginal and had been providing opportunities for Aboriginal workers and apprentices as part of his business model. Jason demonstrated to his team what was required not only on the tools, but also in attendance, punctuality, teamwork and in communication with those in the business world.

As a proud Kamilaroi man with roots in North West regional NSW, Jason was born in Sydney, growing up in Redfern. He is building a bridge between his Supply Nation-registered business, and corporate Australia. Jason combines his strong business reputation with Aboriginal talent and workforce development.

Although Sydney-based, Jason has also delivered on Blackwoods and Wesfarmers Industrials projects at interstate locations. These projects have provided opportunities for local workers, with 18 Indigenous team members employed on a recent Victorian assignment for Wesfarmers Industrials.

Jason is passionate about developing the trade skills of Indigenous youth. In particular, he encourages regional youth to relocate to the city temporarily and to gain work experience and trade qualifications. This approach creates an opportunity for Indigenous tradespeople to return to their communities and gain employment or even start their own business.

Jason says 'as Aboriginal businesses grow and confidence in them is shared more broadly, I long for the day when an Aboriginal flag flies from a tower crane at a major project, signifying the owners and construction company are proud to engage Indigenous contractors and workers. We are delighted to have the opportunity to demonstrate Aboriginal-owned businesses can not only compete on a level playing field, but also win, and deliver quality outcomes.'



Mark Mosby, one of the tradesmen employed by Blackwoods' contractor The Builder – Sydney, puts finishing touches to the new Blackwoods office in NSW.

WESFARMERS ARTS – A HIGHLIGHT OF OUR INDIGENOUS ENGAGEMENT

Wesfarmers has supported the arts in Australia for more than three decades. Our engagement in the cultural life of the community embraces our long-term support for a wide range of premier performing and visual arts organisations and the ongoing development of The Wesfarmers Collection of Australian Art.

A highlight of our Indigenous arts engagement is the commitment we make to respecting and supporting Indigenous culture through our relationship with the National Gallery of Australia (NGA).

Wesfarmers Arts and the NGA have worked together since 2009 to support Indigenous Australian art and culture. Visitors in seven cities have enjoyed our National Indigenous Art Triennials including the most recent triennial, *Defying Empire*, which ran at the NGA from 26 May to 10 September 2017 and tours nationally in 2018.

Selected highlights of our Indigenous art program include:

- 84 Indigenous arts professionals have graduated from our Leadership and Fellowship Programs;
- Two Fellowship Alumni have experienced an International Wesfarmers Arts Indigenous Art Residency;
- Millions have accessed our online Indigenous art content; and
- Thousands of visitors have enjoyed the spectacular collections permanently featured in the NGA's Wesfarmers Arts Gallery, *Early Western Desert Art 1971-74*.

As an outcome of the unique partnership we have built with the NGA, we are now embarking on an international touring

exhibition titled *Global Citizens: two centuries of Indigenous art from the Wesfarmers Collection and National Gallery of Australia*. Featuring masterpieces from both our collections, this landmark exhibition project will be curated and developed by an all-Indigenous exhibition team, led by the NGA's Indigenous curators and graduates of the Wesfarmers Leadership program. The exhibition premieres at the National Gallery of Singapore in May 2020.

Helen Carroll-Fairhall, Manager, Wesfarmers Arts said, 'we're excited by what we can achieve together – we're increasing our digital capacity for creating and sharing Indigenous arts content with the world online, building new audiences and extending the networks for Indigenous arts leaders to take their place in the international community.'



The Aboriginal and Torres Strait Islander Art curatorial team of the NGA, (from left to right) curators Kelli Cole and Tina Baum with Senior Curator, Franchesca Cubillo.

NAIDOC WEEK – WESFARMERS CELEBRATES THE LEADERSHIP OF ABORIGINAL WOMEN

Wesfarmers corporate office celebrated NAIDOC Week 2018 with a special morning tea acknowledging the leadership demonstrated by Aboriginal and Torres Strait Islander women. The National Aborigines and Islanders Day Observance Committee's origins can be traced to the emergence of Aboriginal groups in the 1920's which sought to increase awareness in the wider community of the status and treatment of Aboriginal and Torres Strait Islander Australians. Today it has become a week in which scores of communities, schools, organisations and corporates recognise and celebrate Aboriginal and Torres Strait Islander culture.

The theme for NAIDOC Week in 2018 was 'Because of Her, We Can!' which pays tribute to the leadership role that Aboriginal and Torres Strait Islander women have played and continue to play in our communities.

Wesfarmers Chairman, Michael Chaney AO, hosted Carol Innes, Co-Chair of Reconciliation WA and Dale Tilbrook, Director, Maalinup Aboriginal Gallery, for a morning tea with more than 70 Wesfarmers staff.

Carol and Dale shared their inspiring life journeys touching on the resilience required to be an agent of change and role model for others. Both women shared similar themes of perseverance, determination and most of all pushing through adversity.

Mr Chaney highlighted the importance of the role we can all play in demonstrating leadership, be it speaking up on behalf of others, advocating opportunities for local people or supporting those on their leadership journey.

The event was catered by Abundance Produce, a local Aboriginal business. Abundance Produce sources fresh fruit and vegetables from Aboriginal-owned farms and land across WA. This ongoing engagement supports the economic development of numerous Aboriginal communities. Co-Proprietor, Gerard Matera, crafted the morning tea that incorporated many local native bush ingredients sourced through Abundance's supply chain. The menu included lemon myrtle melting moments, smoked emu and emu egg mini quiche and pumpkin and yulk soup with roasted wattle seed.

In addition to sharing her personal leadership story, Dale explained to the group the importance of the growing international demand for native bush foods and the sustainable opportunities for Aboriginal entrepreneurship and economic development in this space.



Co-Chair Reconciliation WA Carol Innes, Wesfarmers Chairman Michael Chaney and Maalinup Gallery Director Dale Tillbrook.

DEVELOPING INDIGENOUS TALENT AT WESFARMERS

In May 2017, Jayden Gerrand joined Wesfarmers corporate office on an Indigenous cadetship program designed to support the completion of his Bachelor of Commerce and Bachelor of Arts degrees. The Wesfarmers Indigenous cadetship program has been running since 2010, with the aim of assisting Indigenous university students to complete their tertiary studies. The program offers cadets financial support while they are studying, real work experience connected to their studies and opportunities for professional development to fast track their careers.

Jayden is currently in the third year of his double degree and is expected to complete his studies in 2019. He plans to do his Honours in 2020.

In his cadetship, Jayden has had the opportunity to work in Wesfarmers Human Resources and Corporate Affairs teams, as well as work on numerous Wesfarmers divisional projects.

Jayden worked on many projects throughout the first six months of his cadetship. In November 2017, Jayden successfully hosted Wesfarmers Sustainability and Reconciliation Action Plan Launch event attended by Wesfarmers Board and Leadership Team, with many congratulating him on his presentation skills. Jayden was rewarded with a permanent part-time position in the Corporate Affairs team as the Corporate Affairs Coordinator in late 2017.

Jayden has thrived in his new role and has expanded his talents across the Wesfarmers divisions, spending time with Kmart and Target in 2018, supporting their corporate affairs and creative teams across varied projects. This year, Jayden has also worked

on the Wesfarmers Annual Report and Sustainability Report, and other projects while studying full time and achieving great results.

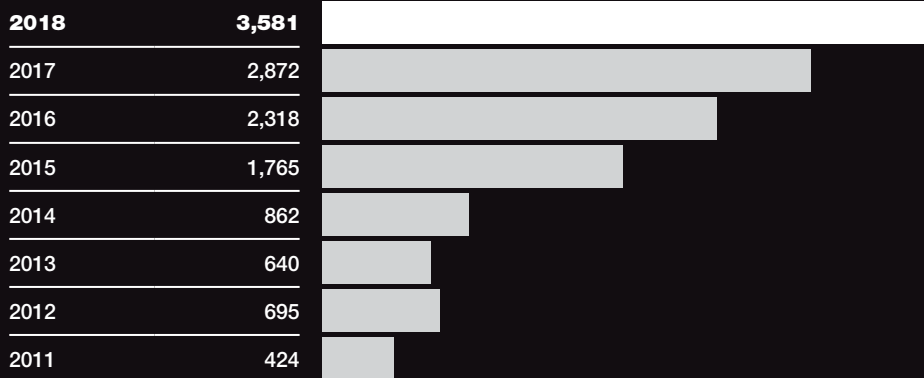
Wesfarmers Manager Aboriginal Affairs Phil Sillifant, explains: 'Wesfarmers cadetship program supports Indigenous students in the completion of their studies while offering real work experience connected to the local community that we serve.' In 2019, Wesfarmers plan to expand the cadetship program and assist more students in their professional development and career pathway.



Wesfarmers Corporate Affairs Coordinator Jayden Gerrand, hosts Wesfarmers annual Sustainability and RAP Celebration event.

COLES INDIGENOUS EMPLOYMENT

Coles Indigenous employment as at 30 June 2018



COLES ENGAGES INDIGENOUS FACILITIES MANAGEMENT BUSINESS ZANCOTT KNIGHT

During the year, Supply Nation certified Indigenous business Zancott Knight Facilities Management (Zancott Knight) was introduced to Coles. Zancott Knight won a request for proposal to begin work reviewing Coles' company housing portfolio, made up of 84 residential properties in various remote and rural locations across Australia.

Established in 2015, Zancott Knight is a joint venture between Zancott, an Australian Indigenous-owned recruitment company and Knight Facilities Management, an internationally renowned facilities management solutions provider.

The company is committed to supporting the Indigenous communities in which they work, dedicating 10 per cent of all profits to supporting Indigenous health, community and sporting groups.

The project – the largest ever awarded by Coles to an Indigenous service provider – involved Zancott Knight completing a detailed assessment of all properties in the Coles company housing portfolio across regional Australia. They make recommendations to assist in establishing a long-term portfolio management strategy.

Coles' Head of Investment Management, Scott Robinson, highlighted Zancott Knight's professionalism and successful delivery of the project.

'Zancott Knight was appointed to assess Coles' entire remote portfolio of company housing across regional Australia. The professionalism of the team and report delivered on the brief Coles requested.'

Zancott Knight Managing Director, Cameron Buzzacott, spoke positively about the relationship with Coles.

'We developed a positive working relationship with the Coles property team that resulted in a successfully delivered project. Our project team relished the complexities of working on the sites in remote and regional locations and look forward to the future opportunities that exist within this portfolio.'

'We endeavour to be a trusted partner for Coles and to deliver projects resulting in positive outcomes for Indigenous communities around Australia,' Cameron said.



Clyde Rigney, Business Development and Cameron Buzzacott, Managing Director from Zancott Knight.

OUR ONGOING JOURNEY

Wesfarmers acquired Coles in 2007 and the business has played a pivotal role in our Indigenous engagement since our inaugural RAP in 2009. Coles has been instrumental in supporting the growth and development of Indigenous suppliers such as Yaru Water and Nunga Produce. Coles has created thousands of jobs across many Aboriginal and Torres Strait Islander communities.

As our shareholders consider the proposed demerger of Coles, Wesfarmers would like to acknowledge and thank the Coles Indigenous Affairs Team and the hundreds of internal champions responsible for driving such positive change across more than 800 Australian retail operating sites.

As for the rest of our businesses, our focus and commitment remains unchanged, and we thank the teams for their continued commitment. We will continue to work against our three RAP pillars: Building Relationships, Building Respect and Creating Opportunities.

In 2019 we will focus on the below areas:

- sustainable employment;
- career development and promotion;
- community health;
- supplier engagement; and
- community partnerships.







Wesfarmers



wesfarmers.com.au