

## Independent Limited Assurance Report to the Management and Directors of Wesfarmers Group Limited

### Our Conclusion:

Ernst & Young ('EY') was engaged by Wesfarmers Limited ('Wesfarmers') to undertake limited assurance, hereafter referred to as a 'review', over selected disclosures (detailed below) published in the Wesfarmers Annual Report and the Wesfarmers sustainability website for the financial year ended 30 June 2022. Based on our review, nothing came to our attention that causes us to believe that the subject matter for our review has not been prepared, in all material respects, in accordance with the criteria defined below.

#### What our review covered (subject matter)

EY reviewed:

- ▶ Wesfarmers' approach to defining report content ('materiality assessment')
- ▶ Wesfarmers' reported alignment to 'core' level of 'in accordance' requirements of the Global Reporting Initiative's ('GRI') Sustainability Reporting Standards ('GRI Standards')
- ▶ Selected disclosures in the Annual Report, limited to the following:
  - ▶ 'Sustainability' and 'Climate disclosures' sections of the Operating and Financial Review
  - ▶ The divisional sections for Bunnings (pp 28-30), Kmart Group (pp 34-37), Chemicals, Energy and Fertilisers (pp 42-44), Officeworks (pp 48-50), and Industrial and Safety (pp 54-56)
- ▶ Selected sustainability disclosures, including the performance metrics set out in the table below, presented on Wesfarmers' website under [wesfarmers.com.au/sustainability](https://www.wesfarmers.com.au/sustainability) as at 25 August 2022.

Performance metrics	
▶	Scope 1, Scope 2, and Scope 3 greenhouse gas emissions in tonnes of carbon dioxide equivalent (ktCO <sub>2</sub> e)
▶	Energy consumption (petajoules)
▶	Waste disposed and recovered (kt)
▶	Water consumption (megalitres)
▶	Workplace health and safety data (Total Recordable Injury Frequency Rate ('TRIFR') and workers compensation claims)
▶	Community contributions (AUD)
▶	Aboriginal and Torres Strait Islander team members
▶	Aboriginal and Torres Strait Islander procurement spend (AUD)
▶	Ethical sourcing program data
▶	Employment and People data

#### Criteria

In preparing its sustainability disclosures, Wesfarmers applied the following criteria:

- ▶ GRI Standards, including the Reporting Principles for defining report quality and content
- ▶ *National Greenhouse and Energy Reporting Act 2007* for Scope 1 and 2 greenhouse gas data

- ▶ GHG Protocol guidance for Scope 3 greenhouse gas data and Scope 2 market-based emissions
- ▶ Other selected Criteria, as determined by Wesfarmers, and as set out in its sustainability disclosures.

#### Key responsibilities

##### EY's responsibility and independence

Our responsibility was to express a conclusion on the subject matter described in this statement.

We were also responsible for maintaining our independence and confirm that we have met the requirements of the *APES 110 Code of Ethics for Professional Accountants*, including independence, and have the required competencies and experience to conduct this assurance engagement.

##### Wesfarmers' responsibility

Wesfarmers' management was responsible for selecting the Criteria and preparing and fairly presenting the subject matter in accordance with that Criteria. This responsibility includes establishing and maintaining internal controls, adequate records, and making estimates that are reasonable in the circumstances.

##### Our approach to conducting the review

We conducted our review in accordance with the Australian Auditing and Assurance Standards Board's *Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* ('ASAE 3000'), *Assurance Engagements on Greenhouse Gas Statements* ('ASAE 3410'), and the terms of reference for this engagement as agreed with Wesfarmers on 11 March 2022.

##### Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the selected sustainability disclosures and related information in the Annual Report and applying analytical and other review procedures. Our procedures included:

- ▶ Evaluating Wesfarmers' adherence to the GRI Standards Reporting Principles for defining report quality and report content, including the processes involved at a divisional and corporate level
- ▶ Checking whether material topics and performance issues identified during our procedures had been adequately disclosed
- ▶ Interviewing selected personnel from divisional and corporate offices, to understand the key sustainability issues related to the subject matter and processes for collecting, collating and reporting the performance data during the reporting period

- ▶ Where relevant, gaining an understanding of systems and processes for data aggregation and reporting
- ▶ Performing analytical tests and detailed substantive testing to source documentation for material qualitative and quantitative information
- ▶ Checking the accuracy of calculations performed
- ▶ Obtaining and reviewing evidence to support key assumptions in calculations and other data
- ▶ Reviewing selected management information and documentation supporting assertions made in the subject matter
- ▶ Checking that data and statements had been accurately transcribed from corporate systems and/or supporting evidence
- ▶ Reviewing the presentation of claims, case studies and data against the relevant GRI principles contained in the criteria.

We believe that the evidence obtained was sufficient and appropriate to provide a basis for our limited assurance conclusion.

#### **Limited Assurance**

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than, for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

#### **Use of our Assurance Statement**

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the Directors of Wesfarmers, or for any purpose other than that for which it was prepared.

The extent of our review included the information available at [www.wesfarmers.com.au/sustainability](http://www.wesfarmers.com.au/sustainability) as at 25 August 2022. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement, nor over any information available through web-links that are beyond the boundary of the selected sustainability disclosures and related information in the Annual Report.



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