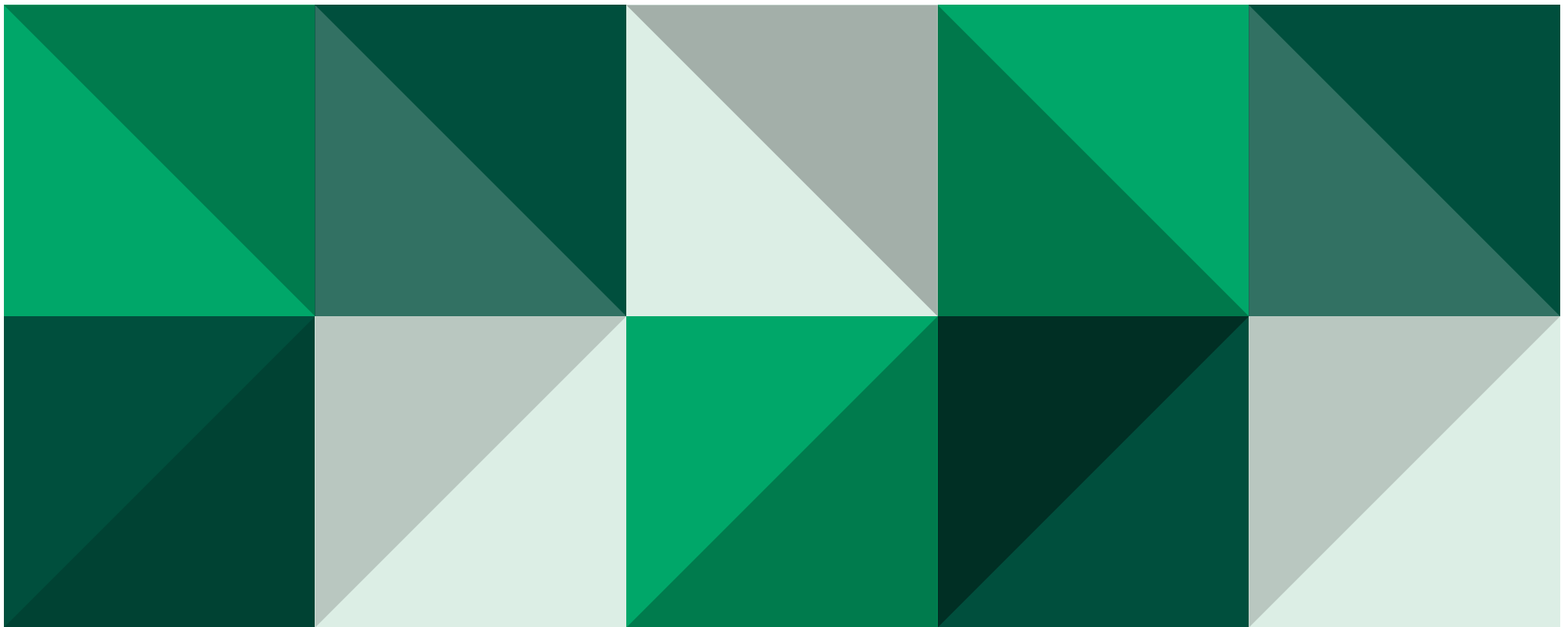
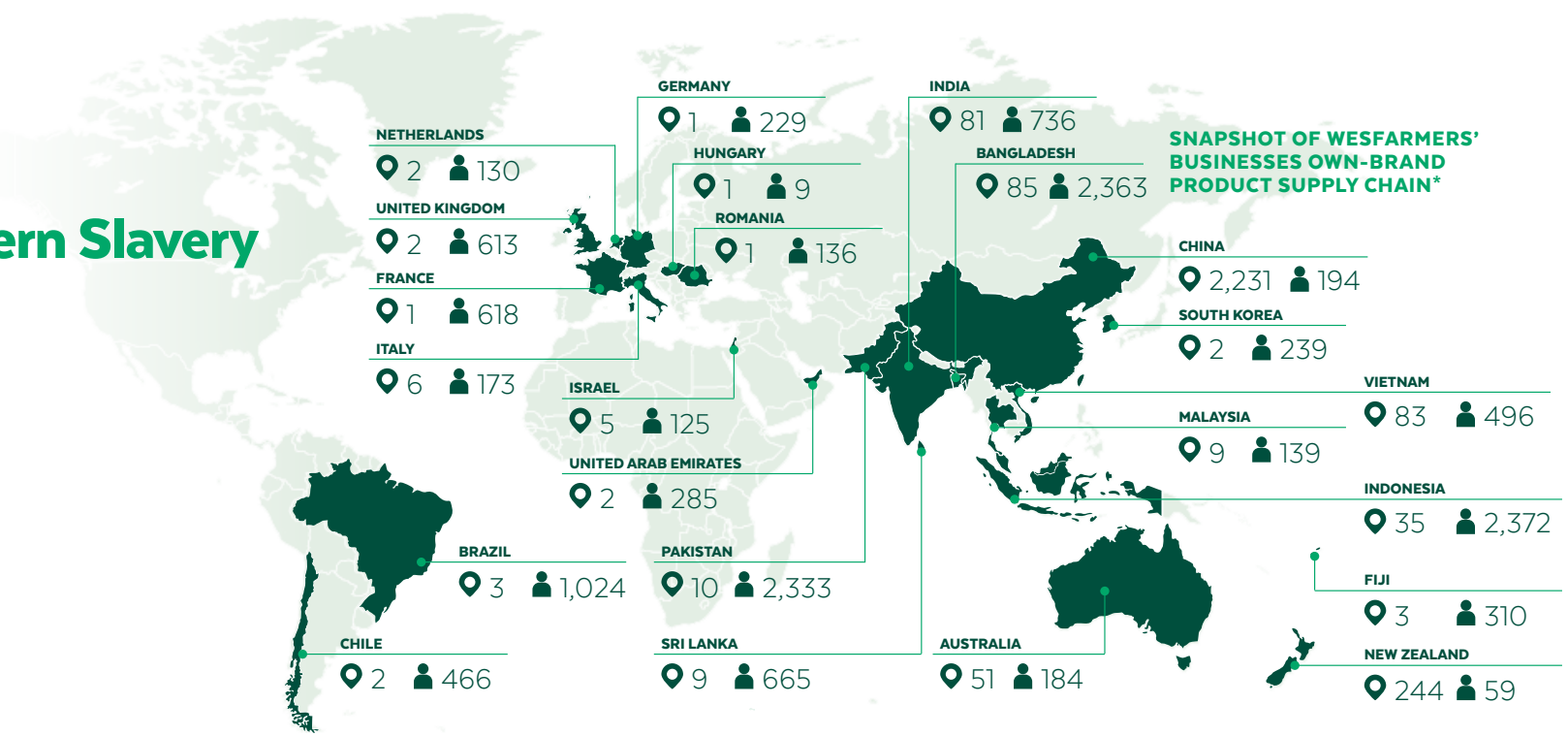


Wesfarmers Modern Slavery Overview 2021



Wesfarmers Modern Slavery Overview 2021

2021 HIGHLIGHTS



WESFARMERS CHEMICALS, ENERGY & FERTILISERS (WESCEF)

New program

WesCEF engaged with a consultant to guide the business through the establishment of a fit-for-purpose tiered ethical sourcing program.

Survey update

This involved the review and update of WesCEF's Self-Assessment Questionnaire (SAQ) and the creation of desktop and physical audit templates to better assess ethical sourcing and modern slavery risks. The business through the appointment of a procurement advisor has increased its resources for this key policy.

* Note: this is not indicative of Wesfarmers' whole supply chain

As a proudly Australian owned company, Bunnings' preference is to support locally based and made products wherever possible.

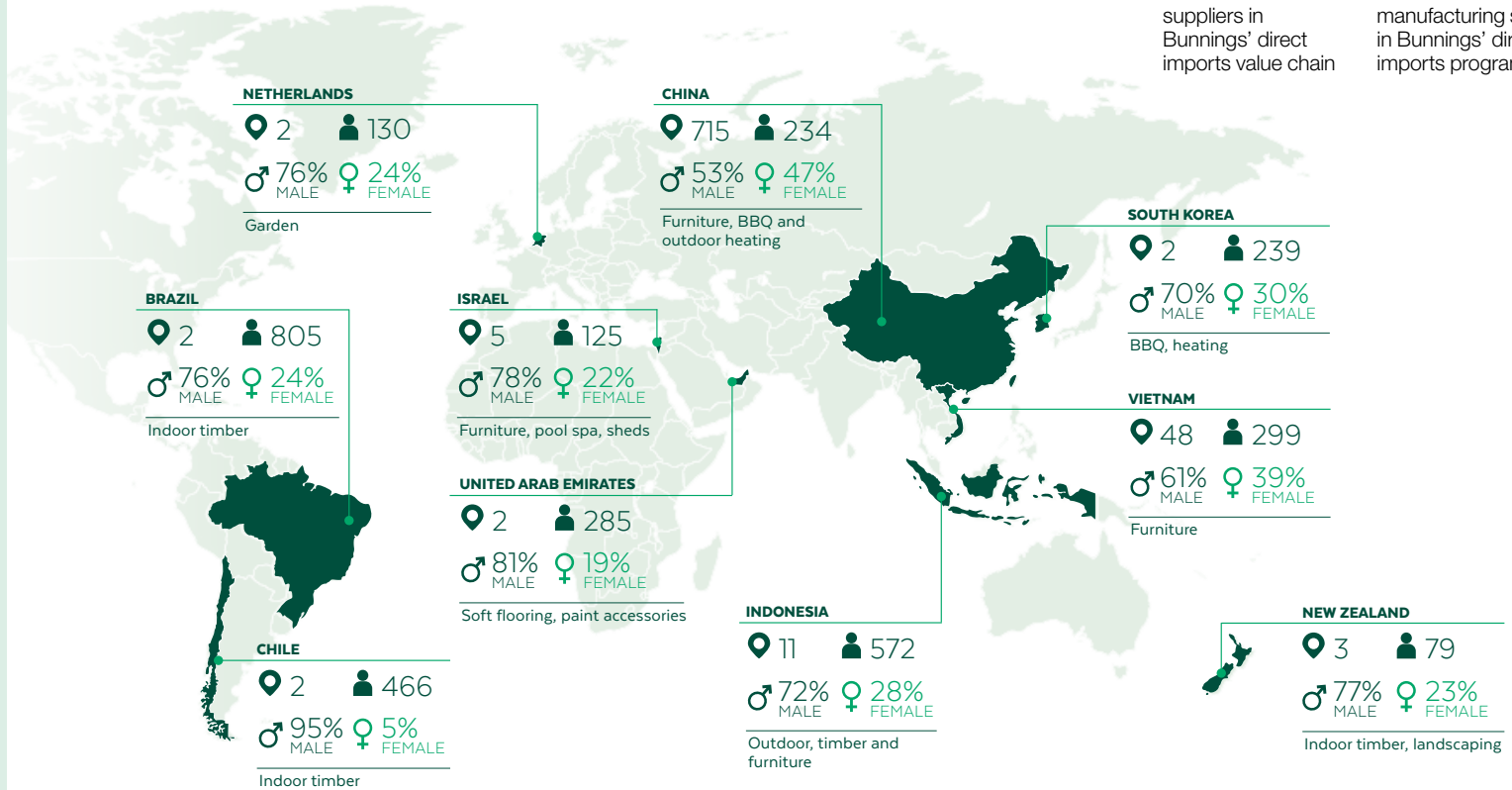
Bunnings Group incorporates retail operations under the Bunnings Warehouse, Bunnings, Bunnings Trade and Adelaide Tools brands (Bunnings). Bunnings takes a risk-based approach to the ethical procurement of goods and services based on the United Nations Guiding Principles on Business and Human Rights (UNGPs), 'Protect, Respect and Remedy' framework.

It is important to note, the supply chain map represents Bunnings' international supply chain of directly imported products and does not reflect Bunnings' total supply base.

TYPES OF KEY OWN-BRAND CATEGORIES

- Indoor/Outdoor furniture
- BBQ and Outdoor heating
- Timber
- Home decorator
- Landscaping
- Paint accessories
- Soft flooring
- Pool/Spa
- Sheds

SNAPSHOT OF BUNNINGS' DIRECT IMPORTS SUPPLY CHAIN

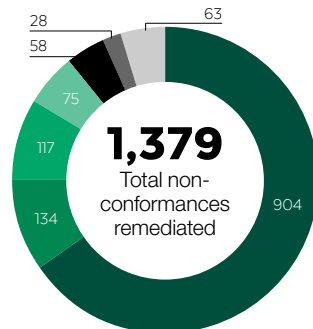


277

suppliers in Bunnings' direct imports value chain

936

manufacturing sites in Bunnings' direct imports program



Non-conformances remediated within 2021 financial year

- Health, safety and hygiene
- Working hours
- Wages
- Environment
- Management systems
- Regular employment
- Other

* Note: this is not indicative of Bunnings' whole supply chain

KEY

Number of sites

Average number of workers per site

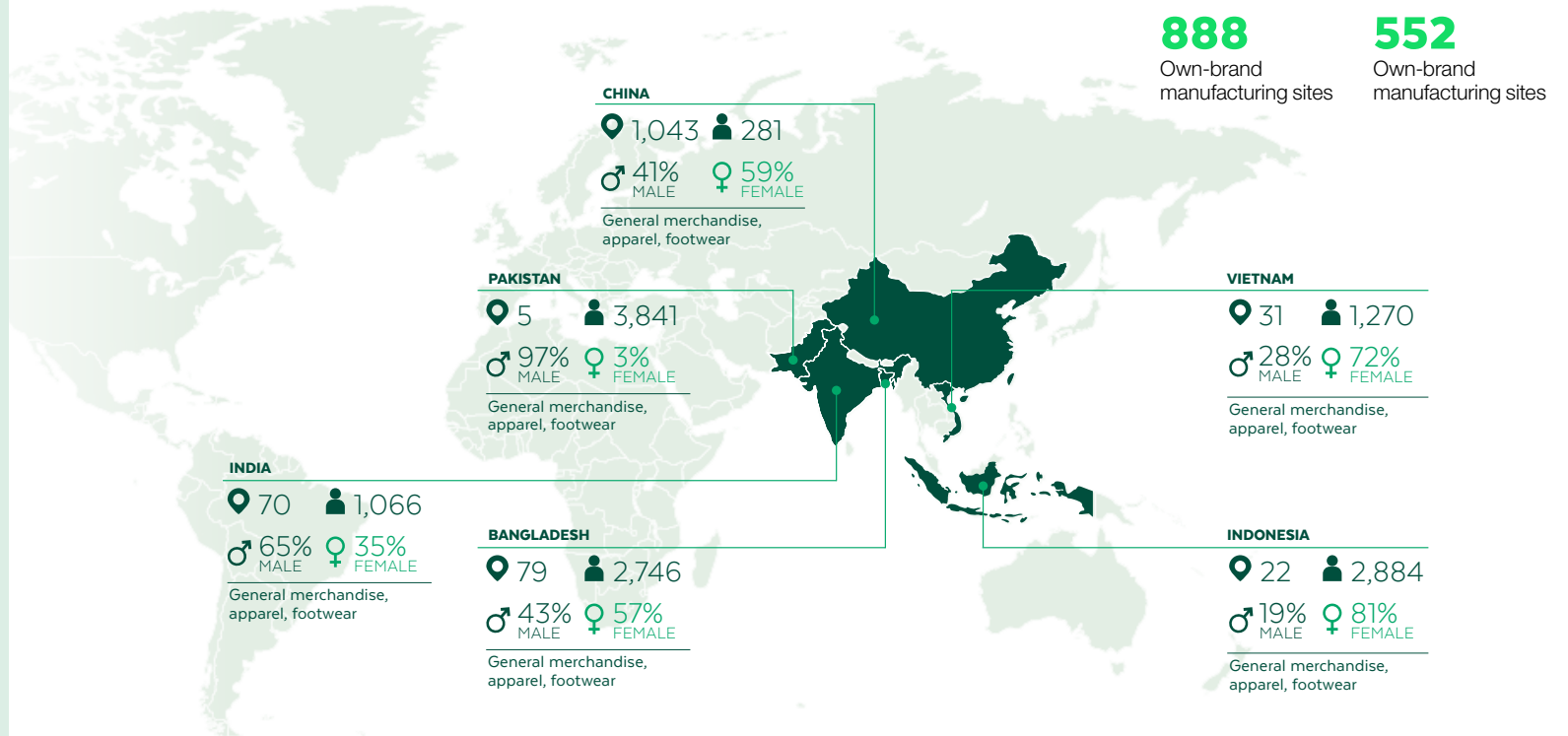
Kmart Group has established a combined ethical sourcing program covering Kmart, Target and Catch.

The program consists of a comprehensive compliance framework designed to ensure Kmart Group suppliers meet the ethical sourcing standards as outlined in the Kmart Group Ethical Sourcing Code. Central to the framework is a robust ethical sourcing audit program presently focusing on tier one suppliers of own brand and licensed products. The stringent audit requirements apply to suppliers in all country locations. Frequent factory visits and training provided by Kmart Group's ethical sourcing team also promotes continuous improvement within supplier factories. Efforts are underway to expand the reach of the ethical sourcing program to capture tier two and three suppliers.

TYPES OF KEY OWN-BRAND CATEGORIES

- General merchandise
- Apparel
- Footwear

SNAPSHOT OF KMART GROUP'S SUPPLY CHAIN*

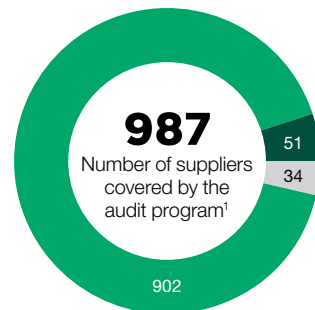


KMART
888

Own-brand manufacturing sites

TARGET
552

Own-brand manufacturing sites



Ethical sourcing audit program findings

● Suppliers part of the audit program but not audited during the financial year ²	51
● Suppliers audited during the financial year with no critical breaches	902
● Suppliers audited during the financial year with critical breaches identified ³	34

¹ There were 987 suppliers covered by the audit program as at 30 June 2021.

² The supplier may be audited every two years if it had no previous findings.

³ This financial year, there were 48 critical breaches across approximately 34 suppliers.

Note that the 48 critical breaches are a Kmart Group total and removes duplication of critical breaches that occurred in shared factories of Kmart and Target

* Note: this is not indicative of Kmart Group's whole supply chain

KEY

Number of sites

Average number of workers per site

Officeworks' ethical sourcing program, which all suppliers are required to comply with, aims to protect and uphold workers' rights. Officeworks requires all factories that produce own-brand products, as well as local suppliers that are unable to provide enough evidence to demonstrate they have a robust ethical sourcing program in place, to disclose the manufacturing site of their products, to complete the Sedex self-assessment and to complete an independent audit when requested. Each year Officeworks review around 400 ethical sourcing audits and work with suppliers to resolve any issues that are identified.

This commitment to human rights extends to goods and services purchased as part of Officeworks operations. All goods not for resale follow the same program as merchandise products. All service providers are assessed for brand risk according to the service provided and management of ethical and responsible sourcing risks. Service providers that are identified as medium-high risk must complete the services risk assessment questionnaire and close out any high risk findings.

With a well established compliance program embedded in Officeworks business, the future focus areas are:

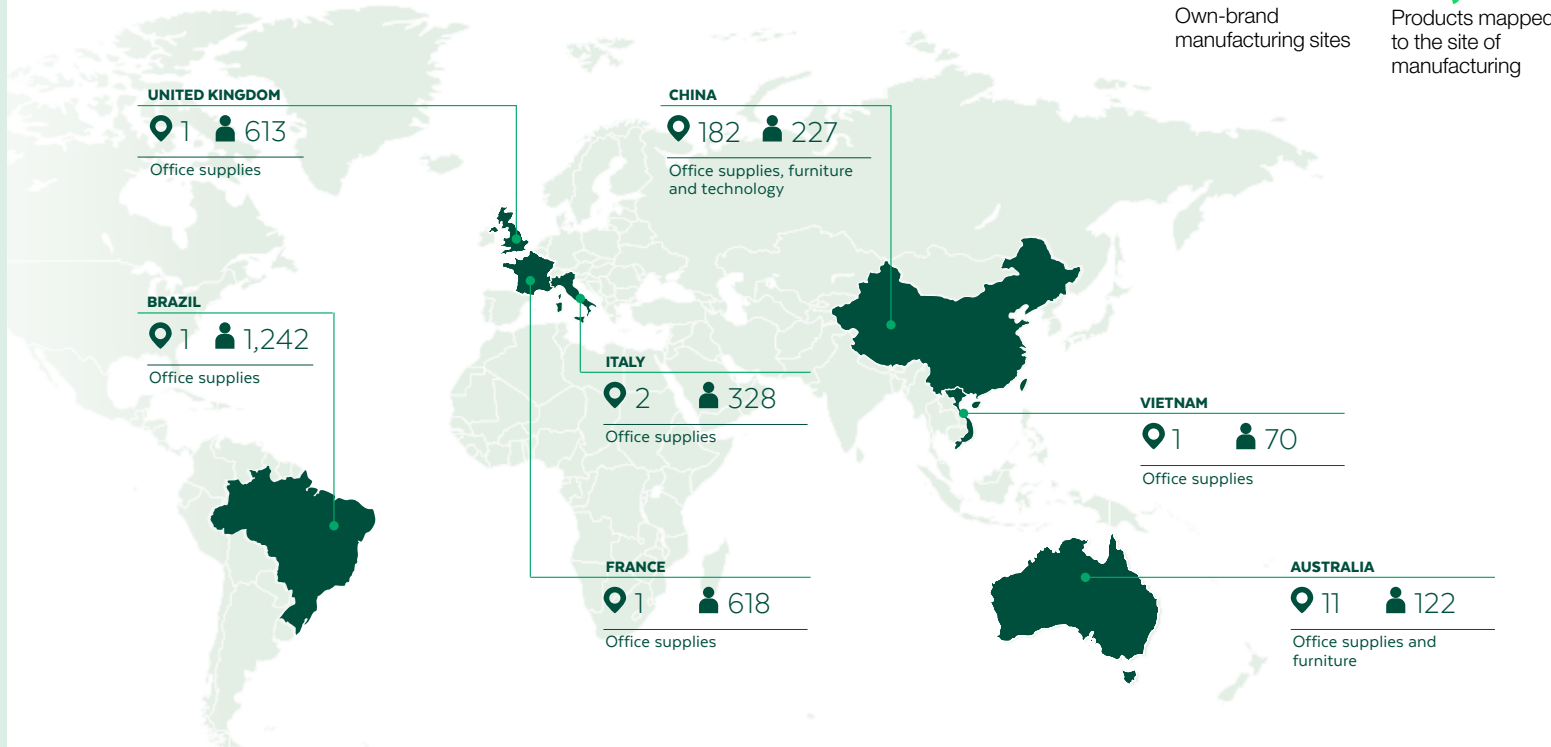
- Complementing Officeworks' risk based, audit-centric approach with an outcome focused approach that makes space for the worker's voice to be heard and embeds positive change through various initiatives, based on their feedback.
- Working towards eradicating modern slavery by engaging with civil society and increasing supply chain transparency on high-risk tier two suppliers.

TYPES OF KEY OWN-BRAND CATEGORIES

- Office supplies
- Furniture
- Technology
- Education and art supplies

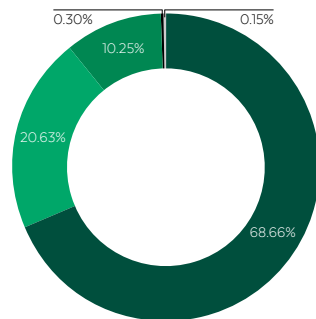
* Note: this is not indicative of Officeworks' whole supply chain

SNAPSHOT OF OFFICEWORKS' SUPPLY CHAIN*



194
Own-brand manufacturing sites

28,292
Products mapped to the site of manufacturing



Compliance ratings based on purchases of goods for resale during the year

- Endorsed brands (2 years approval)
- Green rated sites (2 years approval)
- Yellow rated sites (1 year approval)
- Orange rated sites (6 months conditionally approved)
- Critical compliance sites (3 months conditionally approved with remediation plan)

ETHICAL SOURCING AUDIT PROGRAM

Officeworks' aim through the audit program is to work with suppliers to remediate non-conformances so that factories can achieve a 'green' rating which provides a two-year factory approval before requiring another audit. This baseline enables Officeworks to consider initiatives beyond audits, such as worker voice surveys.

KEY
 Number of sites
 Average number of workers per site

Blackwoods are committed to procuring products in a responsible manner, respecting human rights and environmental impacts.

Blackwoods partner with suppliers and service providers to improve their social and environmental practices to provide customers with more conscious product choices.

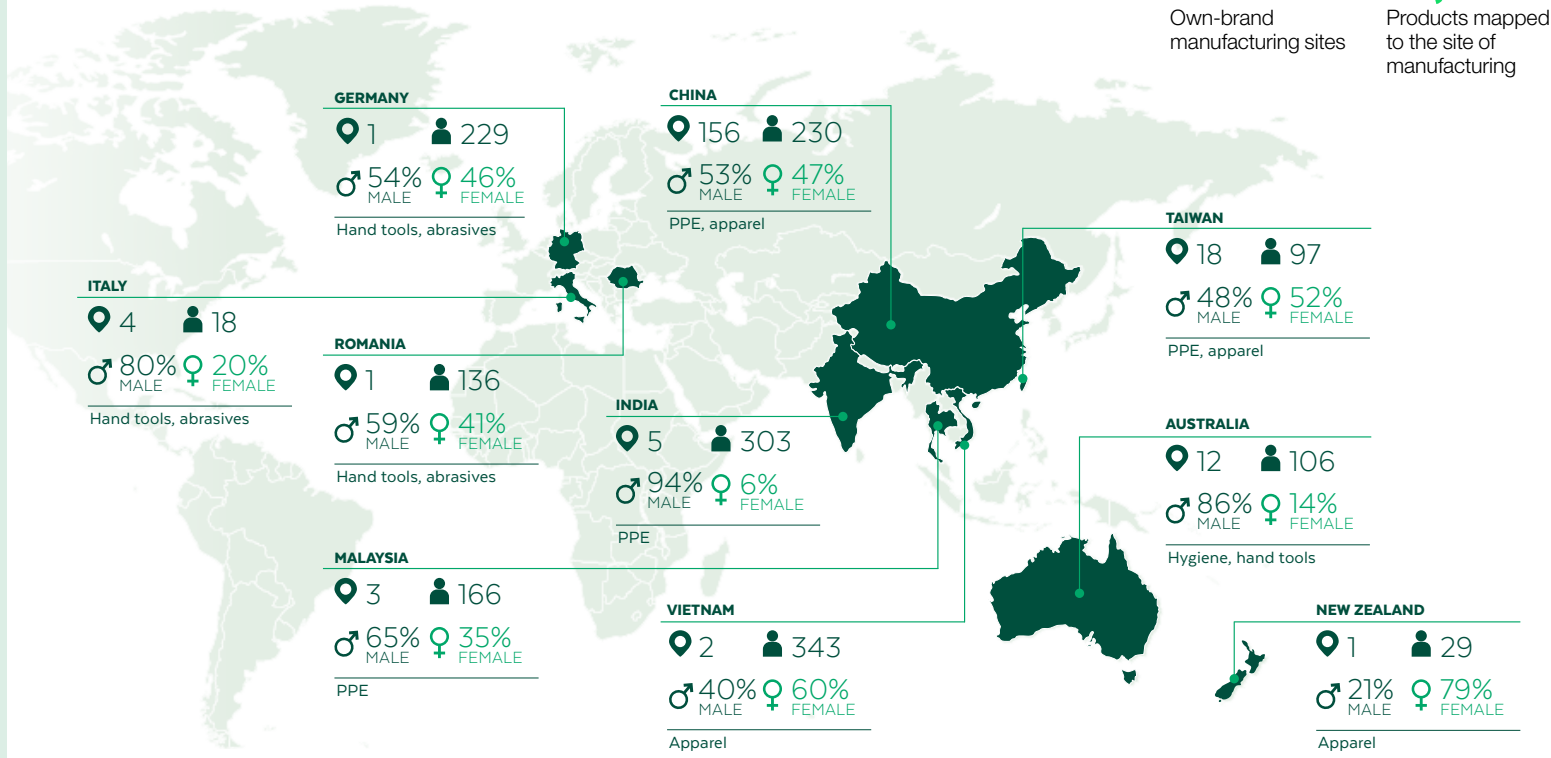
Blackwoods utilises the SMETA 6.1 audit methodology considered global best practice, conducted by APSCA certified third party audit providers to assess suppliers against local laws, the Ethical Trade Initiative Base Code (based on the United Nations International Labour Organisation Convention) and the Blackwoods Ethical Sourcing Policy.

Blackwoods continues to engage with its supply partners to deliver proactive sustainable solutions and promote responsible behaviour to protect the wellbeing of workers and the communities in which it operates.

Taking an educational approach, Blackwoods supports suppliers throughout the remediation process by investigating modern slavery concerns, guiding suppliers to develop comprehensive corrective action plans and ensuring non-compliances are effectively managed.

Blackwoods continues to engage with its supply partners to deliver proactive sustainable solutions and promote responsible behaviour to protect the wellbeing of workers and the communities in which it operates.

SNAPSHOT OF BLACKWOODS' SUPPLY CHAIN*

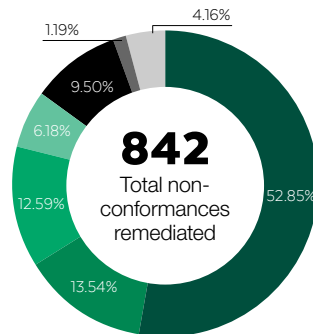


208
Own-brand manufacturing sites

13,200
Products mapped to the site of manufacturing

TYPES OF KEY OWN-BRAND CATEGORIES

- Handtools
- Abrasives
- Safety products
- Personal Protective Equipment (PPE)
- Workwear and apparel



Non-conformances remediated within 2021 financial year

- Health, safety and hygiene
- Working hours
- Wages
- Environment
- Management systems
- Regular employment
- Other

94%
TEAM MEMBERS HAVE COMPLETED THE MODERN SLAVERY AND AWARENESS TRAINING

Blackwoods refined their approach to identification and awareness of forced labour through:

- Review of supplier pre-qualification tools
- Targeted forced labour training
- Modern slavery remediation

Embedding a deeper understanding of the ILO's 11 Indicators of Forced Labour.

KEY
📍 Number of sites
👤 Average number of workers per site

* Note: this is not indicative of Blackwoods' whole supply chain

NZ Safety Blackwoods

New Zealand Safety Blackwoods' program continues to mirror the Blackwoods approach, classifying suppliers into Category A (Low Risk) and Category B (High Risk).

Support and collaboration is achieved through monthly meetings between both ethical sourcing teams. With a dedicated resource to support ethical sourcing and quality, New Zealand Safety Blackwoods has been focused heavily on tier one Category B supplier engagement and close the year with five remaining to engage in FY2022. Onboarding and approval of 37 new suppliers/manufacturers equating to 64% of the total FY2021 own brand spend. Suspended the approval status of 17 existing suppliers/manufacturers due to outstanding social compliance audit to be completed. New Zealand Safety Blackwoods continues to work closely with these suppliers in FY2022 and accepts alternative mutually recognised audits or Sedex Virtual Assessments.

A rationalisation project was undertaken to review cleaning companies and the business is currently completing the final negotiations to move from 30 external cleaning service providers to a single national company. The contract includes the Modern Slavery clause which align with Wesfarmers' Modern Slavery minimum standards and Australian legislation.

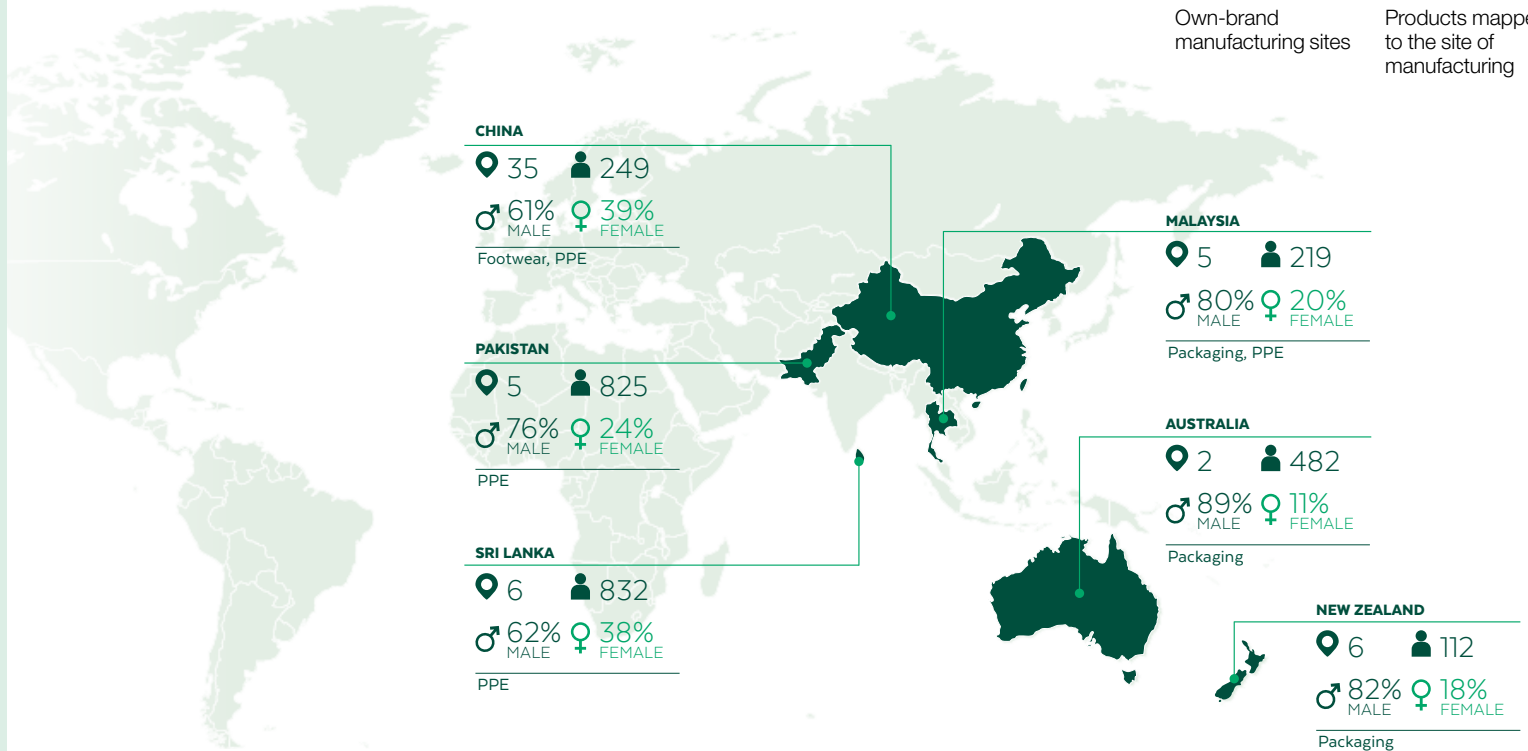
In FY2022, a main focus for New Zealand Safety Blackwoods will be on Category A and Goods Not for Resale suppliers.

TYPES OF KEY OWN-BRAND CATEGORIES

- Safety products
- Packaging
- Personal Protective Equipment (PPE)

* Note: this is not indicative of NZ Safety Blackwoods' whole supply chain

SNAPSHOT OF NZ SAFETY BLACKWOODS' SUPPLY CHAIN*



66
Own-brand manufacturing sites

861
Products mapped to the site of manufacturing

MORE THAN
80%
TEAM MEMBERS COMPLETED THE MODERN SLAVERY AWARENESS TRAINING

Joined the Collaborative Advantage, a shared space for collaboration among ethical and sustainable sourcing practitioners

ONE OF 85
COMPANIES TO SIGN AN OPEN LETTER TO THE MINISTER REQUESTING AN INQUIRY INTO A MODERN SLAVERY ACT FOR NZ

Modern Slavery clause incorporated into cleaning service contracts and products trading agreements

KEY
📍 Number of sites
👤 Average number of workers per site

The Workwear Group ethical sourcing risk model classifies all suppliers based on brand and reputational risk, into Category A, (considered low risk) as these are recognised national and international brands or Category B, (considered high risk) as they produce own-brands and/or customer brands.

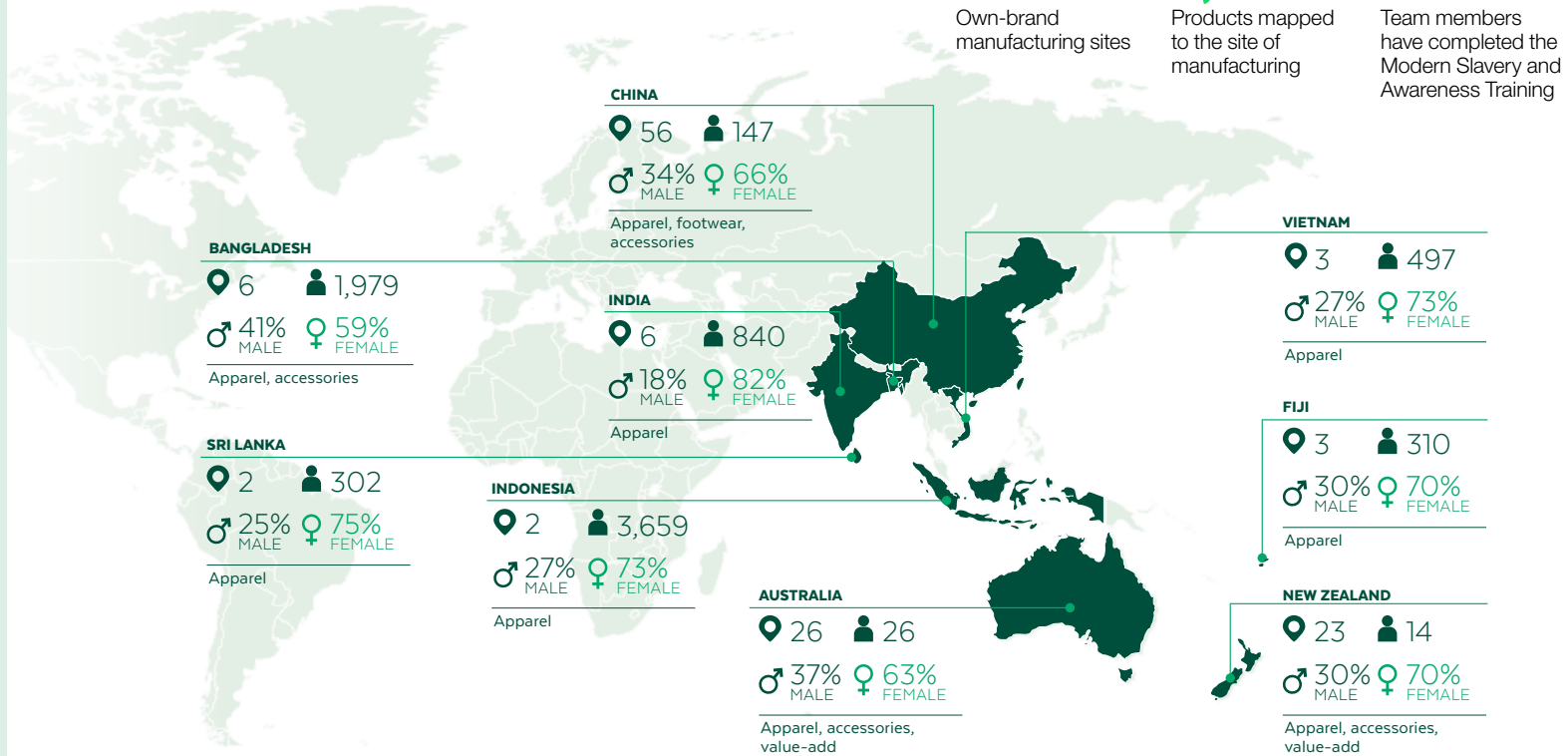
Workwear Group also consider importer of record as a high-risk definition as customs hold documentation linking the Workwear Group directly to the factory by name and address.

Workwear Group are continuing to on-board goods for resale tier one and two suppliers and services, ensuring current service level include modern slavery and ethical sourcing clauses. Goods not for resale suppliers cleaning services providers have all been successfully on-boarded. Next steps are to explore the on boarding of tier three suppliers and services by focusing on the expansion of due diligence to services, developing internal strategy and framework for modern slavery and human rights across the supply chain. This will see the development of broader risk-based framework encompassing all services providers.

TYPES OF KEY OWN-BRAND CATEGORIES

- Apparel
- Footwear
- Accessories

SNAPSHOT OF WORKWEAR GROUP' SUPPLY CHAIN*



127
Own-brand manufacturing sites

9,929
Products mapped to the site of manufacturing

95%
Team members have completed the Modern Slavery and Awareness Training

ETHICAL CLOTHING AUSTRALIA ACCREDITED

WORKWEAR GROUP CONTINUE TO BE ACCREDITED WITH ETHICAL CLOTHING AUSTRALIA AND HAVE BEEN SINCE 2015

Workwear Group's strong commitment to ethical sourcing is established through culture, values, leadership, accountability and understanding

WORKWEAR GROUP NOW BETTER COTTON INITIATIVE MEMBERS TO IMPROVE COTTON FARMING GLOBALLY

* Note: this is not indicative of Workwear Group' whole supply chain