

Our approach to human rights

Wesfarmers has long recognised that managing our businesses with an awareness of and respect for human rights will support performance against our purpose, over the long term.

To deliver satisfactory returns to shareholders, we need to understand and manage the ways we affect people, communities and the environment across our value chain. Doing so helps to ensure we can continue to create value in the future.

While we can achieve much in the short term, respect for human rights requires long-term focus and commitment, as is the case with many other environmental and social opportunities and challenges facing Wesfarmers today.

Human rights are the fundamental rights, freedoms and dignities every person is entitled to, regardless of gender, race, nationality, religion, sexual orientation or other status. There are many different types of internationally recognised human rights, including some that help us to participate in society freely and safely, and others that ensure we live healthy and fulfilled lives with our families and communities, and within our cultures.

Human rights are relevant to all parts of the Wesfarmers business and across our value chain including in our direct operations in Australia, New Zealand, India and China and in many countries around the world where we source products.

Our aim is to ensure human rights are respected and upheld by providing safe and fair workplaces for our team members, striving to partner with organisations including suppliers that respect workers' rights and forbid modern slavery. We respect the privacy of customers and seek to have a positive impact on our communities.

This statement of Wesfarmers' approach to human rights has been approved by the Wesfarmers Board and will be reviewed at least every three years.

Internationally recognised human rights include rights to:

- Life
- Health
- Privacy
- An adequate standard of living
- Participate in cultural life
- Freedom from discrimination
- Freedom from slavery
- Freedom of expression
- Freedom of association
- Safe and healthy working conditions



Our businesses



The Wesfarmers Group comprises diverse businesses, within five operating divisions, a corporate division and certain other activities.

Bunnings	Kmart Group	Officeworks	Chemicals, Energy and Fertilisers	Industrial and Safety	Other activities	Corporate
					(50%)	
			(50%)		(24.8%)	
			(50%)		(50%)	
			(75%)		(50%)	
					(4.9%)	

Our commitment

Wesfarmers is committed to respecting internationally recognised human rights as set out in the *Universal Declaration of Human Rights*, the *International Covenant on Civil and Political Rights*, and the *International Covenant on Economic, Social and Cultural Rights*.

We respect the fundamental principles and rights at work as outlined in the *ILO Declaration on Fundamental Principles and Rights at Work*. These include freedom of association and the right to collective bargaining, the elimination of forced or compulsory labour, the abolition of child labour and the elimination of discrimination in respect of employment and occupation.

Wesfarmers is also committed to implementing the *United Nations Guiding Principles on Business and Human Rights* and the ten principles of the *United Nations Global Compact*. Together, these principles help us identify and respond to potential human rights risks.

We expect everyone who works within the Wesfarmers Group, including team members, directors and contractors, to understand, respect and uphold human rights within our businesses.

We are also committed to ensuring human rights are understood, respected and upheld across our supply chain, and expect suppliers and other business partners to do the same.

We comply with local laws wherever we operate. Where local laws differ from our human rights commitments, we follow the higher standard. Where they conflict, we will comply with local laws while striving to give effect to our human rights commitments to the extent possible.

Our human rights commitments are supported by our *Code of Conduct* and our Group and divisional policies. This includes our *Ethical Sourcing and Modern Slavery Policy* and our environmental commitments, recognising the strong link between human rights and environmental issues, including climate change.

Our salient human rights issues

In 2021, we have undertaken a process with an independent human rights adviser to determine the salient human rights issues for all our divisions. This analysis considered the concept of severity and its component parts of scale, scope and irremediability, as elaborated in the *Reporting Framework of the United Nations Guiding Principles on Business and Human Rights*. Our analysis focused on impact on people and their human rights, rather than impact on our businesses. Identifying our salient human rights issues helps to focus our efforts on the management of human rights risks across our operations and supply chains. Across the Group, we have prioritised our focus on six salient human rights issues:

Supporting labour rights in our value chain

We are committed to sourcing products in a responsible manner while working with suppliers to improve their social and environmental practices. We expect suppliers and other business partners to respect workers' rights, including the rights to freedom of association and collective bargaining, and we strive to mitigate the risk of modern slavery being present in our value chain. Should modern slavery be identified, we focus on placing the rights of victims at the centre of our response.

Respecting Indigenous peoples' rights

Wesfarmers is committed to ensuring our businesses are places where Indigenous people feel welcome and valued as team members, customers, suppliers and citizens. We are committed to respecting Indigenous peoples' rights, including in relation to equality, land, resources and culture.

Maintaining fair and safe workplaces for our workers

We strive to create an inclusive and fair work environment, free from harassment and discrimination, with particular attention to maintaining gender balance and including Indigenous peoples. We maintain a relentless focus on providing safe and healthy workplaces, including through capacity building for those who may be more vulnerable or at risk, such as younger workers. We seek to create workplaces that are respectful of all team members.

Preventing adverse impacts on communities

We seek to understand and mitigate the impacts we could have on the rights of communities in our value chain, including those linked to environmental and other physical issues, consistent with international standards. In particular, we consider the rights of vulnerable, marginalised or at-risk groups.

Upholding the privacy and personal dignity of our customers, team members and other stakeholders

Consistent with our focus on accelerating our data and digital capabilities, data security is a high priority. We are committed to respecting our customers', team members' and other stakeholders' right to privacy and personal dignity. We seek to ensure our technology is safe and accessible and does not discriminate or otherwise adversely impact the human rights of our customers, team members and other stakeholders.

Ensuring product safety for our customers

We are committed to providing our customers with safe products that are fit for purpose and compliant with relevant mandatory standards, and to ensuring instructions on how to use our products are clear. We understand unsafe products could have a range of impacts, including in some instances on human health and life, where products are misused, used unethically or are faulty.

Our approach

The Wesfarmers Group and its businesses have policies and procedures in place to identify, prevent, mitigate and account for any adverse impact on human rights arising through our activities and business relationships.

We are committed to continuous improvement. We regularly assess the effectiveness of our policies, procedures and the impact of our operations, including through established grievance mechanisms. Wesfarmers convenes quarterly human rights forums to identify opportunities and ensure best practice and lessons learnt are communicated effectively across the Group.

Human rights due diligence

We are committed to ongoing human rights due diligence. We regularly assess the human rights risks in our operations and supply chains, prioritising the highest risk areas for action. Human rights risk assessments are conducted at the Group level for our divisions, including for any newly acquired business. We act on the findings of our due diligence, track the effectiveness of our actions and report openly on these actions.

All our divisions have ethical sourcing programs that assess and monitor the human rights risks relating to suppliers of products and services, including when engaging new suppliers. All our divisions operate audit programs for some suppliers and report through their respective divisional boards and the Wesfarmers Audit and Risk Committee on the implementation of the Wesfarmers *Ethical Sourcing and Modern Slavery Policy* and management of related risks.

We monitor emerging human rights issues and identify opportunities where we can influence the actions of others to mitigate negative human rights impacts. For instance, we set expectations for our suppliers and other business partners that they will respect human rights, including by undertaking their own human rights due diligence.

Training

To ensure the effective implementation of our policies and procedures, we provide human rights related training and capacity building and resources for key team members and suppliers. This training covers a range of topics including modern slavery and respect for Indigenous peoples, including their cultural rights.

Stakeholder engagement and communication

We are committed to meaningful engagement with our stakeholders, including our team members, customers, suppliers and their workers, and communities. We respect the rights of environmental and human rights defenders to speak freely without fear of retribution, including where they may be criticising our conduct or the conduct of our partners.

We report regularly and transparently on our approach to the management of human rights, including through our annual Modern Slavery Statement and Annual Report. We are committed to evolving our reporting in line with changing expectations.

Remediation

We have established accessible and safe channels that are open to all stakeholders to raise complaints in relation to human rights and other issues. These grievance mechanisms are set out in our *Code of Conduct*. The grievance mechanisms in our divisions must meet the minimum requirements set out in the Wesfarmers *Ethical Sourcing and Modern Slavery Policy*. The Wesfarmers *Whistleblower Policy* sets minimum standards for the Group's businesses and contains details of how to make a report under the policy. Each division has external and internal whistleblower channels and the number and nature of whistleblower reports are regularly reported.

We are committed to acting as quickly as practical to remedy any human rights violations that are reported to or identified by us, including exploitative labour practices. Where we identify that we have caused or contributed to an adverse human rights impact, we will provide for or cooperate in its remediation through legitimate processes.

Governance

The Wesfarmers Audit and Risk Committee has responsibility for overseeing the Group's response to human rights risks. The Wesfarmers Executive Leadership Team reviews emerging risks and opportunities, leads stakeholder engagement and oversees the sharing of best practice throughout the Group. Each divisional board and divisional management team has responsibility for identifying and managing material risks, including material human rights risks relating to the relevant division in accordance with the Group's Risk Management Framework.