

**PURPOSE** To set out Wesfarmers' principles to reduce the Group's environmental impact and protect the natural environment.

**POLICY APPLICATION** The principles of this policy apply across the Wesfarmers Group and must be complied with, or incorporated into, division/business unit or Corporate Office policies or procedures.

**POLICY**

(a) Each division/business unit must implement policies or procedures and controls that incorporate the following principles either expressly, or through specific operational requirements:

- (i) as a minimum standard, compliance with environmental laws and regulatory requirements, including assessment and approval requirements and environmental permit and licence conditions; and
- (ii) a commitment to operate the division's/business unit's businesses sustainably by:
  - identifying, mitigating, managing and reporting to the divisional/business unit audit, risk and compliance committee and board on material environmental risks and impacts associated with the division's/business unit's activities;
  - planning and implementing strategies to effectively manage and reduce material environmental risks and impacts including from greenhouse gas emissions, resource (including raw material) use and waste;
  - where relevant, and the protection of natural systems, air and water, to the extent these may be material;
  - where practical, supporting the use of materials that are recycled or reused, have low embodied energy and carbon, and have a reduced impact on resource depletion;
  - where relevant, considering circular economy strategies including sustainable packaging;
  - requiring suppliers to comply with environmental laws and regulatory requirements and considering requiring the environmental compliance and performance of potential suppliers as a factor in sourcing decisions; and
  - encouraging environmentally responsible actions and behaviours among the division's/business unit's customers.

(b) Each division/business unit must:

- (i) ensure that any publicly adopted targets, commitments, claims and ambitions regarding environmental, social and governance (**ESG**) matters (**ESG Commitments**), including claims regarding the types of materials used, material sources and sustainability strategies have a reasonable basis and are clearly and accurately communicated without omission of material information;
- (ii) implement an appropriate process for monitoring the continuing reasonableness and accuracy of its ESG Commitments; and
- (iii) update its ESG Commitments as required, with any updates to be advised to the Wesfarmers Executive General Manager, Corporate Affairs.

(c) Each division/business unit is accountable for the accuracy of its reporting, including to the Corporate Office and externally. Each division/business unit must report:

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- (i) all substantial matters of environmental significance, including any environmental event or issue which is, or is likely to be, required by law to be notified to a regulator (or which the failure to notify would constitute an offence or a breach of licence) in which a division/business unit is involved in accordance with the Wesfarmers Limited Immediate Reporting Policy, (Group Policy 1.6) for reporting to the Wesfarmers Board as soon as possible following the relevant event; and
  - (ii) environmental data and metrics annually to Wesfarmers or as otherwise required by the Corporate Office and in the format required by the Corporate Office.
- (d) Wesfarmers (through the Corporate Office) must ensure Group environmental reporting and disclosure accurately reflects the reporting from each division/business unit and is clearly communicated and balanced (and without omission of material information).
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**POLICY AMENDMENT** This policy cannot be amended without approval from the Executive General Manager, Corporate Affairs.

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**LAST REVIEWED** March 2024

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**LAST AMENDED** May 2023

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