

“This policy forms part of, and must be read with, Bunnings’ Supplier Trading Terms”

Bunnings Product Safety, Quality Assurance, Product Packaging Requirements and Timber Policy

Electrical, gas, plumbing and Building product related compliance standards:

Suppliers of all regulated product such as electrical, chemical, gas, plumbing or building products are required to ensure that all products are labelled, registered and otherwise perform in accordance with all applicable regulatory requirements, and must actively monitor pending changes in legislation or standards and ensure that any relevant changes are phased into production within regulated timeframes. Suppliers of any products that are subject to mandatory labelling or product information requirements (e.g. the non-conforming building products legislation) must ensure that all products are supplied in accordance with those requirements.

The Supplier shall be responsible for all costs associated with the provision of all product compliance documentation to Bunnings including but not limited to Supplier Declarations of Conformity (SDoCs) and SDSs. The Supplier indemnifies Bunnings for costs, expenses and losses Bunnings incurs as a result of the Supplier's failure to comply with any product compliance documentation requirements.

Suppliers are required to maintain current Product registrations in accordance with any mandatory licensing and registration requirements. These include (but are not limited to) licensing, registration and labelling requirements under:

These include (but are not limited to) licensing, registration and labelling requirements under:

- WaterMark™ Certification Scheme
- Water Efficiency Labelling and Standards (WELS)
- Energy Efficiency (Energy Using Products) regulations 2002

Product Packaging Requirements

Suppliers are required to implement appropriate product safety, quality control and quality assurance monitoring or testing throughout the manufacturing, batch sampling and pre-shipping inspection processes. This process must be documented into a quality assurance process flow and provided to Bunnings on request.

An appropriate batch marking process is required for Products to ensure traceability of product integrity or product problems in the supply chain.

Any design specification or component changes must be declared to Bunnings prior to implementation. Such changes may require retesting of any applicable certification or standards.

Where safety standards or other mandatory New Zealand standards apply, testing must be conducted by an independent International Accreditation New Zealand (IANZ), or National Association of Testing Authority (NATA) (Australia) accredited testing body (or other body acceptable to Bunnings). Bunnings reserves the right to require suppliers to provide evidence of product quality assurance test reports and / or require third party testing at the suppliers cost to substantiate compliance.

Suppliers must, within 48 hours, report to Bunnings any non-compliance or safety issue regarding a Product of which the Supplier becomes aware. This includes customer complaints or concerns regarding the safety of a Product that are received directly by the Supplier.

Further, where any WorkSafe notifiable event becomes known by the Supplier related to a product supplied to Bunnings, the Supplier they must report the notifiable event to WorkSafe immediately. Where the Supplier reports a notifiable event directly to WorkSafe, the Supplier must also report it directly to Bunnings at the same time.

Where a Product claims to comply with a particular New Zealand Standard or other industry based voluntary New Zealand or International standard or otherwise have certain performance characteristics, test certificates from independent accredited testing facilities confirming compliance should be no older than three years.

Suppliers of all regulated Product such as electrical, chemical, gas, and plumbing or building products are required to ensure that all Products are labelled, registered and otherwise perform in accordance with all applicable regulatory requirements, and Suppliers must actively monitor pending changes in

legislation or standards and ensure that any relevant changes are phased into production within regulated timeframes.

Suppliers of any Products that are subject to mandatory labelling or product information must ensure that all products are supplied in accordance with those requirements.

Chemical based product Suppliers must provide a Safety Data Sheet (SDS) that complies with local jurisdictional and GHS requirements and therefore includes local emergency contact details. Suppliers must review and update their SDS at least every five years to ensure currency and must provide their updated version to Bunnings' Merchandise Compliance in an electronic format prior to before the date of expiry. Suppliers of hazardous chemicals must also ensure that their Products' SDS are publicly accessible online. Should their SDS be featured on the Bunnings website, Suppliers are responsible for maintaining their its currency. Suppliers of chemical-based products with a 'best before' or 'use-by' date must ensure that these dates have not expired or are about to expire when the product is delivered to Bunnings.

Bunnings reserves the right to require Suppliers to provide evidence of product quality assurance test reports or copies of third party testing or certificates held. Suppliers agree to authorise Bunnings to directly obtain copies of any tests reports or certification assessments relating to any product supplied to Bunnings, from the accreditation or testing body, and to assist Bunnings to verify any certificates upon Bunnings' request.

Bunnings as a subsidiary of Wesfarmers, who are a signatory to the Australia Packaging Covenant (APC), is committed to ensuring good packaging design delivers on safety, integrity and fitness for purpose. It supports the marketing position of the product whilst optimising transport efficiency, material cost and store labour.

Bunnings works closely with Suppliers, to ensure we maximise opportunities and share best practice, in relation to sustainable packaging design.

Bunnings expects Suppliers of pre-packaged Products, to develop action plans in accordance with APC standards, to ensure product packaging design is optimised to minimise both environmental impact and the use of non-recyclable materials.

All Suppliers need to obtain the Bunnings Buyer's approval to revise packaging.

Suppliers must ensure that their packaging and the paperwork included with Products supplied to Bunnings is clear as to any Supplier Product warranty/guarantee and does not mislead consumers as to the existence and applicability of consumers' rights under New Zealand Consumer Law

Consumer Guarantees and Product Returns

- The automatic (statutory) consumer guarantees include warranties that the product is of acceptable quality, fit for purpose and free of defects, and that its description is correct.
- Where the fault is major, consumers will have a right to choose a refund or replacement. Bunnings' view is that if a product is defective or not fit for purpose, then it has a major fault and therefore the customer is entitled to a refund or replacement. This includes where the Product has failed earlier than it could be reasonably expected to last. Suppliers must give Bunnings a credit in these circumstances.
- If the customer incurs foreseeable damage as a result of the product's failure to meet the statutory guarantees, Bunnings is required to reimburse the customer.
- Therefore, there may be no "repair only" warranties (except for minor faults).
- Replacement Products must carry the same statutory warranties as the original product.
- Repairs must be completed within a reasonable period of time (Bunnings regards this to be 14 days from when the customer returned the product).
- If there is any credit/refund, replacement or payment requested to be provided to a customer due to a product failing to a meet statutory guarantee, Suppliers must reimburse Bunnings in these circumstances.

Raw Materials & Timber Survey Program

It is a requirement that all Suppliers who supply Products to Bunnings containing wood (includes component and composite product), complete and return the Bunnings Wood Product Survey annually. For Suppliers of imported native tropical hardwood Products, the Survey must be completed prior to first supply.

Tropical hardwood Products are considered high risk and are required to be third party certified as being responsibly sourced (e.g. FSC or PEFC certification). Large amounts of imported non-tropical hardwood are a moderate risk and also require this certification.

Low risk timber products, such as those sourced from plantations or Australian / New Zealand forests, must at a minimum be able to show documented legal origins, though certified responsibly sourced is preferred.

All Suppliers of imported timber and wood Products must also comply with all legislative requirements.

Raw Materials Program

It is a requirement that all suppliers who supply Products to Bunnings containing the above raw material types (includes component and composite product), complete and return Bunnings raw material survey annually. The survey requires suppliers to disclose details about the raw materials used in their products, including their operations, raw commodity type, country of harvest and or origin of raw material and relevant certifications and/or audits.

Bunnings Timber Program

It is a requirement of Bunnings Responsible Timber Sourcing Policy that all suppliers who supply Products to Bunnings containing wood and paper (includes component and composite product), complete and return the Bunnings Timber & Wood Fibre Product Survey annually. For suppliers of imported native tropical hardwood and natural forest hardwood products, the Survey must be completed prior to first supply.

The Bunnings Timber & Wood Fibre Product Survey requires Suppliers to disclose details about the timber used in their products, including species, country of harvest and certification. A copy of the current version of the Bunnings Wood Product Survey is available from <http://www.bunnings.co.nz/about-us/for-our-suppliers> or from the Bunnings Ethical Sourcing Manager.

Third party certification demonstrating responsible sourcing (i.e. FSC® and PEFC) are required for tropical hardwoods, imported non-tropical hardwoods and by end of 2020 all timbers from natural forests. Lower risk timber products, such as those sourced from plantations, must at minimum be able to demonstrate documented legal origins, though certified responsibly sourced is preferred.