

2010 COMMUNITY REPORT CARD



BUNNINGS



BUNN 1987/08/10

OUR BUSINESS



Bunnings is the leading retailer of home and outdoor living products in Australia and New Zealand and a major supplier of building materials. We employ around 30,000 people.

Revenue during 2009/10 was A\$6.4 billion. As at 30 June 2010 there were 184 Warehouse stores, 58 smaller format stores and 29 Trade Centres operating across Australia and New Zealand. We also operate 7 Frame and Truss Plants in Australia.

Tell us what you think...

If you have a question or suggestion please contact us via our website www.bunnings.com.au

Bunnings Group Limited
16-18 Cato Street Hawthorn East,
Victoria, Australia, 3123.

A HISTORY OF REAL ACTIONS...

A real commitment to local communities and sustainability is integral to how we do business. Highlights across the last decade include:

- 2001**—Start detailed public triple-bottom-line reporting.
- 2002**—Work with Greenpeace on eliminating illegally logged rainforest timber.
- 2003**—Focused reviews started to reduce energy waste.
- 2003**—Adopted current timber procurement policy.
- 2003**—Introduce voluntary 10 cent levy on plastic bags at point of sale, raising more than \$180,000 for Keep Australia Beautiful (first major retailer to do so).
- 2004**—Commence voluntary reporting of greenhouse gas footprint.
- 2004**—Community group contributions exceed \$2m pa (direct & indirect).
- 2005**—Lift energy efficiency measures.
- 2005**—Establish recycling systems for cardboard and plastic at all major sites.
- 2005**—Waterwise reviews result in reduced water consumption.
- 2006**—Forest Stewardship Council (FSC) certified paper product introduced.
- 2006**—Introduced factory accreditation for offshore factory working conditions.
- 2007**—Committed to achieve carbon neutrality by 2015.
- 2007**—Commence 2 year \$6m project to retrofit rainwater harvesting systems.
- 2007**—Commence Murdoch University research partnership targeting energy efficiency & renewable energy opportunities.
- 2007**—Timber furniture ranges achieve FSC certification & labelling.
- 2008**—Single-use plastic bags removed from all stores.
- 2008**—Purchased 5% of grid energy needs in Australia from renewable sources & introduced 55 hybrid cars into our vehicle fleet.
- 2008**—Major investment program in energy efficient lighting.
- 2008**—Offset 16,000 tonnes of 2007/08 emissions through Landcare CarbonSMART native revegetation projects.
- 2008**—Nursery sections of Australian stores revert to hand watering with reductions of 80% plus in water usage.
- 2009**—Community group contributions exceed \$15.5m pa (direct & indirect).
- 2009**—Confirmed that in Australia 99% of timber products purchased are sourced from low risk plantation or other verified legal or sustainable forest operations.
- 2009**—Increased energy efficiency further through store lighting including more e-tronic lighting, night switches & the introduction of LED technology.
- 2009**—Trials in renewable micro generation: solar Photo Voltaic panels & wind turbines.
- 2010**—Achieved 60% recycling across all Australian stores for the first time.
- 2010**—Commenced trials in solatube lighting and heat reflective roof treatments to further reduce electricity usage.

“We pursue sustainability within our operations by striving to make them socially responsible and environmentally aware and economically viable.

We engage with the communities in which we operate and live and actively contribute to causes and organisations that benefit these communities.

We're building the best...
Our team make it happen.”

WELCOME

This community report card is a summary of our achievements for the 2009/10 financial year. The contribution our teams make to their communities is a source of great pride. Thank you to all those Team Members involved.

Our commitment to sustainability and community involvement continues to realise some terrific results. Our actions in these areas are central to who we are. We do them because it is the right thing to do and it recognises that ‘we live here too’.

Bunnings plays an active role in the local communities in which we operate. Across 2009/10 we participated in over 33,000 community activities and contributed and helped raise over \$20 million. These activities range from D.I.Y. projects and blitzes, fundraising sausage sizzles and community workshops.

Our team's community focus was also highlighted with our WA team's response to the Toodyay Bushfires, our QLD team's support of relief efforts after Cyclone Ului and our NZ team's response to the Samoa Tsunami relief effort.

On the sustainability front, during the last year we have:

- Commenced trials on a number of different energy reducing initiatives such as solatubes, wind turbines and solar panels.
- Increased our recycling rate to over 60%.
- Continued to support customer awareness for home-based sustainability initiatives.
- In Australia, achieved 99.9% sourcing of timber products from low risk plantation, or other verified legal or sustainable forest operations.

We make no claim to be perfect, but we are sincere in our attempts to do the right thing.

For more information regarding our sustainability initiatives, community involvement activities or to offer any feedback regarding the initiatives outlined in this report card, please visit our website www.bunnings.com.au.

John Gillam, Managing Director
and **Peter Davis (PJ), Chief Operating Officer**

PERFORMANCE SNAPSHOT

2010 Priorities	Outcomes	2011 Priorities
Achieve carbon neutrality by 2015 or earlier.	Partially achieved: Total carbon footprint increased by 1%, significantly lower than net site growth of 7%. Our carbon intensity reduced by 9.7% mainly through multiple energy and waste efficiency actions.	Continue work towards carbon neutral growth and long term footprint reduction.
Implement more water saving initiatives.	Achieved: Australian based stores achieved a 3% reduction in water use through continued rainwater collection and innovative nursery irrigation techniques.	Continue work reducing scheme water usage and reducing waste to landfill.
Increase work in-store and with suppliers to reduce supply chain resource waste, increase recycling rates & bring to market products with stronger sustainability traits.	Achieved: Confirmed in Australian stores, that more than 99% of timber products supplied are from low risk plantation, or other verified legal or sustainable forest operations. Increased FSC certified products. Increased focus on product-level packaging improvements and waste reductions in our supply chain. Expanded product ranges for customers.	Continue work with suppliers to reduce supply chain resource waste and develop more products with stronger sustainability traits.
Continue providing customers with access to information about environmentally-friendly products and projects that can support sustainable living.	Achieved: Increased customer access to information through our website with additional D.I.Y. videos, in-store information, catalogues and D.I.Y. workshops.	Continue providing customers with access to information about environmentally friendly products and projects that can support sustainable living.
Maintain our contributions to improve the social wellbeing of the communities in which we operate.	Achieved: Contributed and helped raise over \$20 million in direct donations, in kind support, and Team Member labour toward community projects.	Maintain our contributions to improve the social wellbeing of the communities in which we operate.



SUSTAINABILITY

Throughout the year we continued to pursue sustainability within our operations, working toward carbon neutral growth and long term footprint reduction.

This year we achieved:



Energy

- Installed micro generation demonstration projects in three of our stores; solar panels at our Belconnen Warehouse (ACT) and wind turbine systems at our Rockingham and Port Kennedy Warehouses (WA).
- Continued installing and retrofitting new e-tronic lighting with enhanced energy efficiency. More than 60 stores now have this lighting.
- Introduced LED lighting as a standard in nurseries for all new stores.
- Trialled a heat reflective roof treatment in Townsville to test how this may reduce energy needs for air-conditioning in FNQ stores.
- Trialled 'solatube' lighting that maximises natural sunlight at our Coburg Warehouse (VIC).

Water

- Reduction in water usage by 3% in Australian stores.
- Rainwater harvesting systems are now fitted at 151 Australian sites.
- Continued use of hand watering & capillary mats.

Waste

- Recycling rate increased to 60% in Australian stores, with over 8100 tonnes of cardboard and paper and over 500 tonnes of plastic recycled.
- Introduced new targets to increase recycling rates to 85% by July 2011.
- Analysis reporting for all stores introduced allowing benchmarking comparisons between locations.
- Worked with councils and local community groups to provide household recycling programs: Batteryback (Northland, Maribyrnong & Hawthorn), CFL recycling (Malaga, Midland, Lismore, Esperance, Ballarat, Altona, Waurm Ponds & Corio).
- Increased recycling rate by 9% in New Zealand stores.

Education and Awareness

- Continued to drive sustainability awareness in stores and online through in-store activities, D.I.Y. collateral and support of national, state and local sustainability campaigns.
- Increased the focus on sustainability in our D.I.Y. offer with new brochures, videos and workshop topics including comprehensive "grow your own" advice to encourage more sustainable gardening at home.
- Partnered with three Victorian metropolitan water authorities to deliver more than 9500 watersaving showerheads into Victorian households.
- Partnered with the Rotary led Days of Change campaign in WA to provide workshops & online materials.
- Switched off lights in Australian stores in support of WWF led Earth Hour and supported World Environment Day with D.I.Y. workshops and in-store activities.
- Provided in-store activities and online advice for Water Week at all stores nationally.
- NZ stores held Sustainability D.I.Y. Workshops focusing on water saving, grow your own in February along with energy saving sustainability D.I.Y. workshops in June.

- Partnered with NSW TAFE to develop an online sustainability training program for Team Members.
- Provided a free sustainability booklet 'Smart Living' for customers which was the fourth in our sustainability series of booklets.



In Schools

- Continued to further our work with schools, conducting more than 570 sustainability school program activities throughout the year.
- Supported Schools Tree Day for the third consecutive year by planting native tube stock with local schools.
- Continued support for Firestarter Youth Environment Conferences as the Environmental Project Day Partner for the third year by providing materials and hands on native bird box building workshops.
- Commenced support of Green Up Clean Up Program which provides a fundraising opportunity for schools through the clean up of a community area and a tree planting activity.

Timber

- In Australia, achieved 99.9% sourcing of timber products from low risk plantation, or other verified legal or sustainable forest operations, our highest level since introducing current timber procurement policy in 2003.
- Worked with Greenpeace in the consumer led poll to support the call for a ban on illegal timber imports.
- In New Zealand, continued involvement with the timber industry and Greenpeace linked Imported Tropical Timber Group.



Local and active participation in the communities in which we operate is integral to all of Bunnings' community involvement activities. Bunnings contributes to a diverse range of local, regional and national causes throughout Australia and New Zealand.

Our Australian and New Zealand teams supported well over 33,000 community activities through community group sausage sizzles, hands on D.I.Y. projects and renovations, local fundraising activities, community workshops and more. Our support included Team Member engagement (both paid and unpaid), product contributions and financial assistance.

All of these activities helped raise and contribute more than \$20 million to local, regional and national community organisations and charities across Australia and New Zealand.

Bunnings ran several national campaigns, supporting a number of organisations through locally driven, store run activities. These included:

Australia

- The Prostate Cancer Foundation of Australia
- White Ribbon Day
- Scouts Australia and RSPCA WA
- Meals on Wheels and the Country Women's Association

We also had more Team Members making a difference in their local communities through our national activities including "paint your community", "grow your own" and the revamping and preparation of memorial gardens in the lead up to ANZAC day.

New Zealand

- Big-Night-In for KidsCan Stand Tall Charitable Trust
- Shave for a Cure with the Leukaemia and Blood Foundation
- Heart Stopper Challenge for Heart Children NZ
- Keep New Zealand Beautiful Clean Up Week

Our ability to provide emergency assistance was once again shown through our NZ team support for the Samoa Tsunami Relief Effort in October 2009, our WA teams support for the Toodyay Bushfire Relief Appeal in December 2009 and our Qld teams response to the relief efforts for Cyclone Ului in March 2010. This assistance involved holding sausage sizzles, other fundraising activities and contributing supplies to local and emergency groups.

COMMUNITY INVOLVEMENT