



SUSTAINABILITY REPORT 2018



Inspiring you to live your passion

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ABOUT THIS REPORT

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards: Core option. It covers our operations in Australia, New Zealand and China, including our store network, support offices and distribution centres for the period 1 July 2017 to 30 June 2018 (unless noted otherwise for specific data). We have noted where data is not available or incomplete. All financial figures are reported in Australian dollars, unless otherwise specified. Detailed information on our financial and economic performance can be found in Super Retail Group's 2018 [Annual Report](#). The online version of our previous year's report can be found [here](#).

Your feedback is important to us

We welcome your feedback and comments on this report. Please feel free to contact our team via:

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Super Retail Group is one of Australasia's largest retailers and is listed on the Australian Securities Exchange (ASX).

We have more than 670 stores, an annualised turnover of more than \$2.5 billion, and operations in Australia, New Zealand and China.

Our retail portfolio includes BCF Boating Camping Fishing, Macpac, Rebel and Supercheap Auto. Our online and digital presence complements our physical store footprint to enable our customers to shop whenever and however they prefer.

In addition to our extensive retail network, our commercial entities – Supercheap Auto Trade Direct, Infinite Retail and Super Retail Commercial – offer opportunities for businesses to use our sourcing and supply chain capabilities to buy the products they need, when they need them.

We have a clear view of the future, a solid strategic roadmap and a passionate team of more than 12,000 members – all committed to delivering solutions that engage and inspire our customers.

CEO'S MESSAGE

DEAR SHAREHOLDER,

At Super Retail Group, we are dedicated to achieving profitable and sustainable growth in a manner consistent with our Group Values. We are committed to social and environmental initiatives which are designed to benefit our team, customers, trade partners and the communities in which we operate.



We recognise our role in addressing sustainability challenges has never been more important than it is today. Our customers, communities and team members look to us as a business to help address global social and environmental issues, like fair working conditions, ethical sourcing and climate change.

Constantly inspired to tackle these challenges, our passionate team is driven by the evolving expectations of our communities. Our customers, team members and investors have high expectations for how we improve on our sustainable practices across our business. We are focused on proactively addressing these challenges and opportunities that will affect our long-term viability and success.

As we continue our journey of transforming to a world class omni-retailer, we are determined to develop sustainable foundations that support this. Building a sustainable

omni-retail operating model is therefore an essential part of our transformation and one of our Group Goals for FY2019.

At every step of the way we need to be thinking of our customers. Developing a fundamentally sustainable approach to our business isn't just the right thing to do – it also provides the basis for long-term financial success and helps to protect our position as a leading retailer. As noted in [KPMG's Global Retail Trends report \(2018\)](#), "a Global Corporate Sustainability Report published by Nielsen indicates that, globally, 66 per cent of consumers are willing to spend more on a product if it comes from a sustainable brand. Millennials gave an even more impressive showing, with 73 per cent indicating a similar preference." Our sustainability strategy will address our stakeholders' expectations and build a stronger connection with them, while supporting our competitive advantage and business value.

DELIVERING ON OUR SUSTAINABILITY STRATEGY

In FY2018 we continued to make strong progress in addressing our Group's material issues through delivering on our three important sustainability focus areas:

- 1) Ensuring our business practices are responsible;
- 2) Reducing our environmental footprint; and
- 3) Promoting the wellbeing of our team members and the broader community.

As a result, we are pleased to report the following highlights for the Group:

- We received the highest score in the Dow Jones Sustainability Index Assessment in the Australian Retail category and the highest rating on social disclosure in the Institutional Shareholder Services Inc. (ISS).

OUR SUSTAINABILITY STRATEGY WILL ADDRESS OUR STAKEHOLDERS' EXPECTATIONS AND BUILD A STRONGER CONNECTION WITH THEM, WHILE SUPPORTING OUR COMPETITIVE ADVANTAGE AND BUSINESS VALUE.

- Our level of sustainability disclosure was recognised by the Australian Council of Superannuation Investors (ACSI) as 'Leading' among our ASX listed peers, again the highest ranking.
- We reduced greenhouse gas emissions (Scope 1 and 2) by 2.4 per cent compared to the previous reporting period.
- For our team we reported positive changes in diversity, with a 3.6 per cent increase in women in leadership for key senior management roles (Bands 1-3), with a rise of 4.3 per cent for management roles (Band 1-4), and maintained top quartile levels of team engagement across the Group, with an overall team engagement score of 70 per cent.
- We supported our community through initiatives such as Macpac's Fund for Good which provided \$92,770 in donations and outdoor gear to

13 community-based groups and organisations, with over 1,500 people benefiting since the program commenced in September 2017. BCF partnered with OzFish to help protect and restore fish habitats and raised \$155,902 through customer donations during FY2018.

However, it was disappointing that an internal investigation confirmed that we have not paid team members who worked on store set up projects in accordance with the correct modern award, and that we have had an inconsistent approach in how time-in-lieu, overtime payments and allowances were applied to additional hours worked during store set ups.

While we believed that we were following the right approach, we were wrong, and we are very sorry for the impact on our team. We are committed to back paying (with interest) all team members who have been impacted back to July 2010, and we have strengthened

the governance of our remuneration arrangements across the Group.

Looking forward, we will continue to build on our progress to date focusing on the material issues that matter the most to our business and continue to understand and act on the growing customer demand for sustainable business practices, ethical sourcing and supply chain transparency. In doing this we will ensure we are better positioned to secure a sustained competitive advantage over competitors that do not.

We trust you will find valuable content in this report, which provides greater detail on how we are responding to our most important challenges and opportunities.



Peter Birtles
Group Managing Director and Chief Executive Officer

OUR BUSINESS

OUR VALUES



PASSION



OPENNESS



INTEGRITY



CARE



DISCIPLINE

OUR PURPOSE

To provide solutions and engaging experiences that inspire our customers to make the most of their leisure time.

OUR VISION

Inspiring you to live your passion.

OUR STRATEGY

Customer engagement, inspiring customer solutions, a world class supply chain and an engaged and capable team are critical to our future.

We remain focused on our strategy to ensure we continue to foster sustainable value creation in a changing retail environment.

Growing businesses in high involvement categories

Engaging capable team members who share our customers' passions

Building a world class omni-retail organisation

OUR GOALS

Super Retail Group has a strong portfolio of retail businesses, each with strong potential for organic growth.

We recognise the imperative of turning this potential into growth in total Group earnings.



HEALTHY,
PASSIONATE AND
HIGH PERFORMING
TEAM MEMBERS



INSPIRED,
ENGAGED AND
SATISFIED
CUSTOMERS



SUSTAINABLE
OMNI-RETAIL
CAPABILITIES



TOP
QUARTILE
SHAREHOLDER
RETURNS

OUR CUSTOMER PROMISE

At the core of our strategy is our Group-wide Customer Promise, which ensures we have a clear and common view of the standards customers can expect us to deliver. These standards guide the capabilities

we need to build as a world class omni-retailer and align to our purpose of providing solutions and engaging experiences that inspire our customers to make the most of their leisure time.



OUR CORE BRANDS

Super Retail Group is one of Australasia's largest retailers, and is proud to provide solutions and engaging experiences that inspire

our customers to live their leisure passions as the owner of iconic Australian brands including:

AUTO



Supercheap Auto is a thriving specialty retail business, specialising in automotive parts and accessories. Supercheap Auto stocks a wide range of tools and accessories for the DIY home handyman, as well as products for travel, touring, outdoors, garage and the shed.

OUTDOOR



With stores across every state of mainland Australia, BCF is the largest outdoor retailer in the country. We sell quality brands from trusted manufacturers and are committed to offering the widest product range to our customers, who are as passionate about boating, camping and fishing as we are.



Macpac has designed apparel and equipment that has inspired a life outdoors since 1973. Designed, tested and proven in the ultimate outdoor test lab - New Zealand, Macpac's wide range of products are made for adventurers, by adventurers.

SPORTS



Rebel offers a wide range of the latest quality, branded sporting and leisure goods for the casual enthusiast and serious competitor, including fitness equipment, sports equipment, apparel and associated accessories.

OUR NETWORK

TEAM

~12,000
TEAM MEMBERS



5

SUPPORT
OFFICES

7

DISTRIBUTION
CENTRES

3

COUNTRIES OF
OPERATION



70%
TEAM
ENGAGEMENT

2016
71%

2017
71%



LTIFR – Lost Time Injury Frequency Rate

2016
8.8

SAFETY

6.4

2017
6.5



74%
TEAM
RETENTION

2016
75%

2017
74%

OMNI-RETAIL TRANSFORMATION



AUTO	85%
OUTDOOR (BCF)	76%
SPORTS	152%

TOTAL ONLINE SALES GROWTH



AUTO	>50%
OUTDOOR (BCF)	>50%
SPORTS	>30%

CLICK & COLLECT

OUR NETWORK

FY2018 STORES BY BRAND

OUR ONLINE AND DIGITAL PRESENCE COMPLEMENTS OUR PHYSICAL STORE FOOTPRINT TO ENABLE OUR CUSTOMERS TO SHOP WHENEVER AND HOWEVER THEY PREFER.



675
TOTAL STORE
NUMBERS

Auto	319
AutoCrew	0
Rebel	159
BCF	134
Rays	9
Macpac	54



11
TOTAL STORE
OPENINGS

Auto	5
AutoCrew	1
Rebel	3
BCF	1
Rays	1
Macpac	0



19
TOTAL STORE
CLOSURES

Auto	2
AutoCrew	0
Rebel	8
BCF	3
Rays	6
Macpac	0



Super Retail Group is committed to adopting and implementing rigorous corporate governance policies and practices that protect and enhance the long-term performance of the Group and to generate appropriate levels of shareholder value and financial return, taking proper account of other stakeholder interests.

The Group supports this commitment through the transparent and informative reporting of its governance framework. Our Corporate Governance Statement 2018 has detailed disclosures on the functioning of the Board and its committees, and is available on our [corporate website](#).

The Board's role, as set out in the Board Charter, includes responsibility to set and oversee the strategic direction of the Group, to select and appoint the CEO and to oversee the overall management, performance and governance of the Group. The Board delegates responsibility for the day-to-day management of the Group to the CEO. The CEO

manages the Group in accordance with the strategy, business plans and delegations approved by the Board and is accountable to the Board for the exercise of the delegated authority.

Reporting to the CEO, the Company Secretary / Chief Legal and Property Officer is the member of the Group Leadership Team responsible for overseeing the implementation of our sustainability strategy. This implementation is supported across the Group by relevant policies which are part of our broader governance program.

Our sustainability activities directly support our business goals. We

promote responsible business practices, foster highly engaged team members to create a diverse and high performing team culture, and manage environmental impacts. Exposure to economic, environmental and social sustainability risks are managed in accordance with our risk management strategy and frameworks.

Key sustainability performance indicators such as team member safety, product compliance with safety standards and ethical sourcing practices are monitored and reported monthly to the Group Leadership Team and the Board of Directors.

OUR ECONOMIC CONTRIBUTION



**SALARY
AND WAGES
\$474.7
MILLION**



**DIVIDENDS TO
SHAREHOLDERS
\$91.7
MILLION**



**TAXES
PAID
\$43.7
MILLION**



**CAPITAL
EXPENDITURE
\$107.1
MILLION**



STAKEHOLDER ENGAGEMENT

The views and expectations of our stakeholders are critical to shaping our sustainability approach.

The following table provides a list of our key stakeholders, how we engage with them and some of the main issues of interest during FY2018:

Stakeholder	Issues of interest	Engagement mechanism	Frequency
Customers	<ul style="list-style-type: none"> Our products and services Packaging and waste Ethical supply chain Environmental footprint Impact on climate change Data security and privacy Product recycling (Supercheap Auto) 	<ul style="list-style-type: none"> Stores Customer service channels (online and via telephone) Social media Websites of our brands Market Net Promoter Score (NPS) Loyalty programs Surveys Club nights Newsletters 	Ongoing
Team Members	<ul style="list-style-type: none"> Safety and Wellbeing Product quality and safety Employment conditions Packaging and Waste Learning and development opportunities Diversity and Inclusion 	<ul style="list-style-type: none"> Engagement surveys Internal intranet Team member newsletters (weekly Bulletin and quarterly Team Talk magazine) Quarterly town hall meetings Team meetings Performance reviews 	Ongoing
Investors, Shareholders & Analysts	<ul style="list-style-type: none"> Economic performance Environmental, Social and Governance (ESG) issues Climate change risks and opportunities 	<ul style="list-style-type: none"> Corporate website ASX announcements Email communications Investors meetings and briefings AGM Annual reports Information requests 	Ongoing
Trade Partners	<ul style="list-style-type: none"> Product and services Compliance with mandatory standards Ethical Supply Chain Packaging and waste Environmental footprint and impact on climate change 	<ul style="list-style-type: none"> Meetings Site visits Factory audits 	Ongoing
Government & Regulators	<ul style="list-style-type: none"> Product quality and safety Economic performance Environmental impacts Gender diversity 	<ul style="list-style-type: none"> Meetings Focus groups Annual Reports 	As required
Media	<ul style="list-style-type: none"> Corporate strategy Financial performance Products and services Customer related issues 	<ul style="list-style-type: none"> Media interviews Formal and informal briefings 	As required
Community & Non-governmental Organisations (NGOs)	<ul style="list-style-type: none"> Community contributions Ethical supply chain Animal welfare (BCF) 	<ul style="list-style-type: none"> Social Media Website Information requests Meetings 	Ongoing
Industry Associations	<ul style="list-style-type: none"> Packaging and waste Resource efficiency Customer centricity Economic performance Responsible development of retail premises 	<ul style="list-style-type: none"> Meetings Industry Forums 	Ongoing

MANAGING OUR MOST MATERIAL ISSUES

Understanding the issues that matter most to our business and stakeholders allows us to evolve our business strategy and tailor our reporting in line with the interests and needs of our key stakeholders.

We regularly review and update our materiality assessment to reflect changes in our business and to identify emerging sustainability issues. Our assessment is based on a method developed by the Global Reporting Initiative (GRI), which is linked to the AA1000 Accountability Principles Standard (2008).

For this year's assessment we conducted a desktop review, which included consideration of:

- GRI aspects
- United Nations (UN) Global Compact principles
- A media review
- External assessment results from market analysts and proxy advisors
- Analysis of our business goals
- Regulatory risks

- Consultation with experts in the field of sustainability reporting
- Peer review to assess best practice in the retail industry, and
- Input from team members.

This assessment confirmed that the issues identified in our materiality assessment remain consistent with previous years.

In line with last year's report, we continued to group these material issues into the following three focus areas, aligned to our vision and purpose, brand portfolio and business strategy:

- Ensuring our business practices are responsible
- Reducing our environmental footprint
- Promoting the wellbeing of our team members and the broader community.

ALIGNMENT WITH THE SUSTAINABLE DEVELOPMENT GOALS

The United Nations Sustainable Development Goals (SDGs) came into effect in January 2016. The 17 goals stem from the UN's 'Agenda 2030': a 15-year plan to improve the wellbeing of present and future generations by tackling the world's biggest challenges through the promotion of sustainable development.

Organisations around the world are increasingly referencing the SDGs in their strategy and reporting, including by mapping their material issues against the SDGs that they can most meaningfully contribute to.

The Group's activities contribute to almost all 17 SDGs in varying degrees, however, we believe the targets of the following five SDGs are most relevant to our material issues.

SUSTAINABLE DEVELOPMENT GOALS



WHAT MATTERS MOST AND KEY ACHIEVEMENTS IN 2018

1



ENSURING OUR BUSINESS PRACTICES ARE RESPONSIBLE

- Achieved the highest score in the Dow Jones Sustainability Index (DJSI) assessment in the Australian Retail category for the second consecutive year.
- Achieved the highest rating on social disclosure and received a QualityScore Award Badge from Institutional Shareholder Services Inc. (ISS).
- Recognised by the Australian Council of Superannuation Investors (ACSI) as 'Leading' among our ASX listed peers, for the Group's level of sustainability disclosure.

2



REDUCING OUR ENVIRONMENTAL FOOTPRINT

- Winner of the Large Retailer category in the 2018 APCO Awards.
- Reduced greenhouse gas emissions (Scope 1 and 2) by 2.4 per cent compared to the previous reporting period.
- Collected 1,024,000 litres of oil (36.5 per cent increase on FY2017) and 71,047 car batteries (15.91 per cent increase compared with FY2017) for recycling through our Supercheap Auto network.
- Rebel extended its 'Choose to Reuse' initiative to Queensland and partnered with Clean Up Australia to encourage communities to reduce single-use plastic bags.
- 150 team members in specialty roles completed online packaging training, which focused on our Sustainable Packaging Guidelines.

3



PROMOTING THE WELLBEING OF OUR TEAM MEMBERS AND THE BROADER COMMUNITY

- Maintained top quartile levels of team engagement across the Group, with an overall team engagement score of 70 per cent.
- Team member retention continued to be strong at 74 per cent.
- Total Recordable Injury Frequency Rate (TRIFR) reduced 21.2 per cent with a measure of 23.84 per million hours worked.
- Overall levels of women in leadership increased from 34 per cent in 2017 to 37.6 per cent in 2018 for key senior management roles (Bands 1-3), with a rise of 4.3 per cent (to 38.4 per cent) for management roles (Band 1-4).
- Macpac Fund for Good provided \$92,770 in donations and outdoor gear to 13 community-based groups and organisations, with over 1,500 people benefiting since the program commenced in September 2017.
- BCF partnered with OzFish to help protect and restore fish habitats and raised \$155,902 through customer donations during FY2018.



ENSURING OUR BUSINESS PRACTICES ARE RESPONSIBLE

The pace of change in retail is accelerating. It can no longer be just about products, it must be about the customer. To succeed in this environment we need to better connect with our customers and address their increasing expectations and preferences.

A key customer expectation is for our products to be sourced sustainably. We maintain an ethical sourcing program that promotes better working conditions, sustainable packaging and lower environmental impacts associated with our private brand products.

To operate sustainably, it is essential that we integrate sustainability into our business practices and supply chain.

SOURCING ETHICALLY

Our Ethical Sourcing Policy promotes better working conditions, sustainable packaging and lower environmental impacts associated with our private brand products.

We require ethical sourcing audit reports for factories in non-OECD countries that make our private brand products. Our criteria for working conditions focuses on compliance with core labour standards for the protection of human rights at work, as identified by the International Labour Organisation (ILO): freedom of association, the right to collective bargaining, the prohibition of forced labour, the elimination of child labour, and non-discrimination in employment. Our auditing process also includes a number of compliance checks for sustainable packaging and environmental management.

Results as at 30 June 2018:

- There were 506 active factories across the Group within the scope of our ethical sourcing program, 431 (85 per cent) of which had current audit

reports with all Critical Non-Conformances (CNCs) addressed, 32 factories were going through audit renewal and 43 factories had Corrective Action Plans in progress.

- We had a total of 614 CNCs – 447 (73 per cent) had been addressed and closed, and 167 (27 per cent) were in progress with corrective actions in place. These CNCs primarily related to safety features, hazardous materials, waste handling and employee record-keeping. We are working with the factories involved on corrective action plans to address these non-conformances.

In FY2019, we will conduct a review of our Ethical Sourcing Policy

and the associated compliance monitoring program with the view to incorporate learnings from this year and to align our policy with the requirements set out in the NSW and the Australian Modern Slavery Acts, likely to be introduced during FY2019.

ETHICALLY SOURCED DOWN

Down jackets are insulated with the soft and warm under feathers of ducks or geese. Down jackets from Macpac and our private brand Outtrak, sold at Rays stores, are all made with ethically sourced down, with certification received from the Responsible Down Standard (RDS).

The RDS goes beyond preventing practices such as force feeding and live plucking. It enables the birds to live healthy lives, express innate

ETHICALLY SOURCED DOWN



No live plucking, pain, fear or distress.



No force-feeding.



Holistic respect for animal welfare of the birds from hatching to slaughter.



Traceability in the supply chain - from farm to finished garment.



behaviours and not suffer from pain, fear or distress. The certification also provides traceability in the supply chain, and helps validate and track the down used from farm to finished garment.

PROVIDING SAFE PRODUCTS

We continue to improve our compliance processes for product safety. Our compliance team and our trade partners implement our private brand product testing regime. Product testing addresses mandatory and regulated Australian and New Zealand standards, with testing conducted either in-house or at third-party National Association of Testing Authorities (NATA) accredited facilities.

In FY2018, one voluntary recall of a roof-top tent was initiated when we identified a potential safety issue with its strap in a single batch as a result of our regular product testing regime.

We reported 22 injuries to customers that involved products we sell under the ACCC's Product Safety Mandatory Reporting requirements. The injuries included minor cuts and burns as well as a fracture. We have worked closely with those customers to address their health and wellbeing. In each case, the products were examined and where corrective action was required, we

worked with our trade partners to improve the safety and performance of the products involved. There was no breach of mandatory standards associated with those injuries and customer concerns have been addressed.

During the reporting period there were two incidents of non-compliance with regulations concerning product and labeling information for Aquatic Toys. In both instances, we worked with both the trade partner and the regulator to manage and resolve the incidents.

RESPONSIBLE MARKETING

A core principle of our marketing communication is that it has to be accurate and transparent – from marketing materials, to claims made about the products we offer for sale. We strive to take all necessary steps to comply with laws and regulations that govern responsible marketing and labelling in Australia and New Zealand.

Policies and processes are in place to provide guidance on marketing practices across all our brands. Our compliance team provides advice regarding product claims, services and marketing materials, and provides mandatory training to team members in our marketing, merchandising and retail teams on a regular basis.

During the reporting period, independent auditors were appointed to review compliance with the Super Retail Group's Merchandising, Marketing and Retail Guidelines and the Australian Consumer Law.

The review did not find any major non-compliance and found our advertising and marketing practices to be well-established. The review identified opportunities for improvement, including training on how to locate product information and processes for executing apology notices for promoted items that were not in stock for the promotional period.

PROTECTING CUSTOMER INFORMATION

Our customers expect us to secure their digital information from cyber-attack. We are committed to meeting our customers' expectations and ensuring the confidentiality and integrity of our systems. Priority areas include detection and response, technical security, people security and data security. A governance structure is in place to align cyber investments with strategic priorities to protect customer information and our enterprise value. No notifiable breaches were reported to the Privacy Commissioner over the reporting period.

REDUCING OUR ENVIRONMENTAL FOOTPRINT

Reducing our environmental footprint helps us meet our stakeholders' expectations and remain competitive. Addressing environmental impacts associated with our operations, in particular energy use, packaging and waste are our key areas of focus in reducing our environmental footprint.

In addition, extreme weather events, increasing energy costs and resource limitations are impacting producers of raw materials and could, in time, impact our supply chain.

REDUCING PACKAGING AND WASTE

Packaging continues to be a material issue for most retailers, particularly in light of China's ban on contaminated recycling materials earlier this year. This restriction has limited the exporting of plastics for recycling from Australia to China and reinforced the need to move towards a circular economy model, where products and packaging materials are recovered and regenerated at the end of each service life.

While the process of transitioning from the traditional take-make-waste model of product manufacture, consumption and disposal will incur costs in the short-term, we remain committed to contributing to the development of a reuse and recycle economy that will create long-term value for our business, the environment and society over time.

As part of this commitment, we continue to address concerns about packaging waste and plastics by providing recyclable packaging to our customers, making it easier for our customers to recycle some of the products we sell, and recycling

waste generated in our own operations. We are also taking steps to incorporate recycled materials in selected products.

We promote waste reduction to our team members via store bulletins, team member meetings and seek to assist and influence our trade partners to design more sustainable packaging by providing guidance on packaging design.

Despite our efforts, we increased the waste in Australia by 6.5 per cent during the reporting period. The increase was mainly due to the expansion of our store network and other activities such as relocations and refurbishments to improve our customer experience in-store. We improved our recycling rates by 0.6 per cent to 60.4 per cent, above our target of 55.5 per cent in FY2018.

In New Zealand, we reduced waste by 16.9 per cent, however our recycling rates dropped 2.1 per cent. A waste management review is scheduled for the next financial year to better understand opportunities for improvement in both New Zealand and Australia.

Super Retail Group is a signatory of the Australian Packaging Covenant (APC), an agreement between government and businesses to share the responsibility for managing the environmental impacts of packaging

in Australia. By becoming a signatory to the Covenant, organisations agree to shared commitments and joint responsibilities to achieve sustainable packaging outcomes.

We work closely with trade partners to promote packaging that is fit-for-purpose, resource efficient, made from low-impact materials and designed to increase the potential for recycling. Our sourcing team in China liaises with factories on a regular basis and performs packaging assessments for new products.

During the reporting period:

- Through packaging optimisation, we achieved a 22.6 per cent improvement in 'pallet utilisation' rate and a 10.7 per cent improvement in 'container utilisation' rate. (Figures relate to reviewed products only – 2317 items during FY2018 – and not total activity).
- In FY2018 we continued to reduce the amount of soft plastics used to package our products. Based on the 44 products reviewed, we forecast that a total of 121 tonnes of plastic material (polyethylene) will be saved per annum.



REDUCING, RECYCLING AND REUSING

Our approach to waste management is based on avoiding unnecessary consumption in our operations. During the reporting period, we revised a number of standard practices which delivered positive environmental and financial outcomes. These include:

- **Standardised packaging** – standardisation of plastic satchels and cartons for online orders is estimated to reduce material holding by up to 60 per cent. These packaging products will be sourced locally from next financial year, which will also facilitate a sustainable reduction in lead time and transport.
- **Pallet wrap** – we decreased wrap thickness by approximately 10 per cent without impacting integrity, which has helped reduce a proportionate weight in waste. The initiative provided a budget saving of \$160,000 in FY2018.
- **Printed paper usage** – the streamlining of the online order fulfilment process will digitise documents like manifests and

invoices, and is estimated to reduce printing by around 7 million pages in the coming 12 months.

We continue to explore opportunities to improve the resource recovery of products we sell in-store and use in our operations. Some of our current programs include:

- **Car battery recycling** – Supercheap Auto is part of a national network of battery recycling centres established by Century Yuasa for the environmentally responsible collection and recycling of used lead-acid batteries. Batteries collected are reconditioned or recycled into new products made from lead, sulphuric acid and polypropylene. Recycling uses less energy than refining primary ore and removes lead from the environment. During FY2018 our stores collected 71,047 batteries for recycling, an increase of 16 per cent compared to the 2017 financial year.
- **Oil recycling** – a recycling service for used motor oil is available at selected

Supercheap Auto stores across Australia to encourage safe and environmentally responsible disposal. The recycled oil can be used as an industrial burner fuel, hydraulic oil, incorporated into other products, or re-refined back into new lubricating oil. During FY2018 our stores collected 1,024,000 litres of oil for recycling, an increase of 36.5 per cent compared to the previous reporting period.

- **Clothes hangers reuse** – BCF and Rebel are part of a closed loop reuse program established by TIC Group to reduce the amount of hangers going to waste. Hangers used in stores are returned to TIC, cleaned and reused.
- **Pallet reuse** – the Group has a partnership with local trade partners that enable stores to return their pallets to our distribution centres for reuse. Damaged pallets are recycled in our distribution centres by our waste provider.
- **Lightweight, single-use plastic bags** – our stores offer alternative carry bags to our customers. Our Outdoor brands only offer paper

bags. Supercheap Auto phased out the use of lightweight single-use plastic bag nationally this year offering customers reusable heavy-duty plastic bags instead. Rebel's 'Choose to Reuse' program in partnership with Clean Up Australia offers customers reusable bags for sale.

REDUCING GREENHOUSE GAS EMISSIONS

Our primary operational greenhouse gas emissions are from the electricity used in our retail stores, support offices and distribution centres. Other minor emission sources relate to fuels used in motor vehicles fully maintained by the Group and natural gas used for heating in stores.

During the reporting period we achieved a decrease in greenhouse emissions intensity of 6 per cent (total CO₂e/\$1 million revenue) through ongoing energy efficiency initiatives. Our total greenhouse gas emissions also decreased by 2.4 per cent compared to the previous reporting period.

Our energy efficiency program – which has the benefits of reducing our environmental footprint and reducing costs – includes awareness campaigns with team members, structural changes such as lighting upgrades and heat reflective roof paint, optimising the hours of operation of equipment through timers and photoelectric cells (air conditioning, lighting and illuminated signage), and installation of energy saving devices and control equipment.

Energy efficiency upgrades are part of the scope of works for new stores and refurbishment activities. During the financial year, 45 stores across our network had lighting upgrades completed, with an expected energy saving of over 1,030,000 kWh per annum.

We continue to explore new opportunities to reduce energy usage. Following a successful trial of an Energy Performance Monitoring (EPM) system at selected Supercheap Auto stores last year, the Group expanded this program to 236 stores across our network. This program, which involves monitoring electricity usage to identify poorly performing sites across the Group, has delivered a 7.9 per cent reduction in kWh consumption across participating stores compared to the previous year.

The Group has been disclosing its carbon emissions to the CDP (formerly Carbon Disclosure Project) since 2015. Carbon emissions data for our operations in Australia is also reported to the Clean Energy Regulator annually in accordance with the National Greenhouse and Energy Reporting Scheme.

LOWERING TRANSPORT EMISSIONS

Direct carbon emissions from transport relate to the fully maintained motor vehicles that are used by our team members for performing their duties.

Indirect carbon emissions from transport include activities related to the delivery of our products by trade partners and business travel.

Our supply chain team is focused on driving efficiencies with a number of new initiatives to use fewer resources and cut costs. They include:

- **Units Per outbound Pallet (UPP)** – focusing on this key metric has helped to mitigate the number of pallets we use. We realised a 5 per cent improvement in UPP for the last quarter of FY2018 and further reductions are a priority for FY2019.
- **Inter-distribution centre stock transfers** – having the right amount of inventory available at the right time to meet customer needs is another key focus. In the year under review, we reduced the amount of cardboard totes used to pick and pack distribution centre transfers by approximately 12,000 by shipping more goods using an outer carton.
- **Sports integration** - the integration of the Rebel range into the Brisbane distribution centre at Lawnton removed the need to ship the equivalent of 2,500 pallets between Sydney and Rebel stores in Queensland. The initiative provided a saving of approximately \$470,000 in FY2018.

During the year, the Group achieved a carbon emissions reduction of 20 per cent for air travel. Our emissions associated with road travel also reduced by 16.3 per cent largely thanks to an increase in rideshare options.

OUR CUSTOMERS, COMMUNITIES AND TEAM MEMBERS LOOK TO US AS A BUSINESS TO HELP ADDRESS GLOBAL SOCIAL AND ENVIRONMENTAL ISSUES.



**WE RECOGNISE
THAT LONG-
TERM AND
SUSTAINABLE
VALUE CREATION
IS FOUNDED ON
THE TRUST THAT
THE GROUP HAS
EARNED.**



Macpac's War on Waste



Almost fifty per cent of all fleece products sold at Macpac contain fleece made from recycled plastic bottles.

Plastic waste remains a global problem. But we are helping find a solution by incorporating recycled materials into product design. Macpac uses a fabric made of recycled plastic to create fleece garments that perform at the same level as traditional equivalents. The Polartec® Micro Fleece range is designed using Polartec® Repreve® 100, which turns waste plastic into warmth.

Designing Better Packaging

We continue to explore ways to reduce waste by designing better packaging in collaboration with our trade partners.

As an example of how small changes can make a big impact, a display box available at our Supercheap Auto stores has delivered both environmental and financial benefits to the Group and our trade partner. By changing the packaging design, we achieved major efficiencies, including:

- 66 per cent volume reduction
- 33 per cent material reduction
- 16 per cent container efficiency improvement
- quantity in 40ft container improved by 250 per cent.*

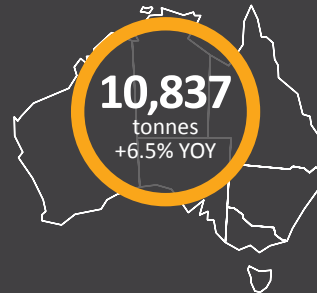
*Old display box in a 40ft container: 168 pcs;
New display box in a 40ft container: 588pcs.*

OUR HIGHLIGHTS

WE WORK CLOSELY WITH
TRADE PARTNERS TO
PROMOTE PACKAGING THAT IS
FIT-FOR-PURPOSE, RESOURCE
EFFICIENT, MADE FROM LOW-
IMPACT MATERIALS AND
DESIGNED TO INCREASE THE
POTENTIAL FOR RECYCLING.

TOTAL WASTE

AUSTRALIA



60.4% total recycled
+0.6% YOY

NEW ZEALAND



56.8% total recycled
-2.1% YOY

FORECASTED PLASTIC SAVINGS PER YEAR



Plastic saving – PE
(tonnes)

121

PE - Polyethylene

OUR RECYCLING INITIATIVES

CAR BATTERIES



71,047

+15.9% YOY

OIL



1,024,000L

+36.5% YOY

GREENHOUSE GAS EMISSIONS



SCOPE 1 & 2*

78,289

tCO2-e
-2.4% YOY

GREENHOUSE EMISSIONS
INTENSITY
(total CO2e/\$1 million revenue)

30.46

tCO2-e
-6% YOY

* Scope 1 emissions are direct emissions from owned or controlled sources e.g. emissions from use of natural gas in stores. Scope 2 emissions are indirect emissions from the generation of purchased energy.

Data has been revised since our last report to include NZ emissions

CARBON EMISSIONS REDUCTION

AIR TRAVEL



-20% YOY

3,666 (tCO2)

ROAD TRAVEL



-16.3% YOY

936 (tCO2)

* Road travel based on car hire. Air travel relates to domestic and international travel.



PROMOTING THE WELLBEING OF OUR TEAM MEMBERS AND THE BROADER COMMUNITY

Super Retail Group is committed to providing a safe, fair and equitable working environment for all team members. Having healthy, happy and passionate team members is a key priority and essential to providing inspiring solutions and experiences for our customers.

The execution of our organisation's strategy and the delivery of our Customer Promise relies on our team members' expertise and knowledge, and our people strategy that is centered around 'engaged and capable team members' who will help us deliver on those goals.

ENTERPRISE AGREEMENT

A robust and relevant Enterprise Agreement is one key way we deliver on that promise.

We employ 11,813 people across Australia, New Zealand and China (as at the end of the 2018 financial year) and, in Australia, 78.5 per cent of our team members are covered by the Super Retail Group Enterprise Agreement 2015 (EA). This EA remained effective throughout the duration of this reporting period and is due for renewal in the second half of 2018.

We have heard from our teams that our Distribution Centre (DC) and Retail/Clerical teams work differently and therefore have a unique set of requirements. Therefore, we have

proposed a specific Enterprise Agreement for Retail/Clerical (in 2018) and will create a customised Enterprise Agreement for our DC teams (in 2019).

We are currently negotiating the Enterprise Agreement for our retail and clerical team members and have negotiated to defer bargaining for a new Distribution Centre-specific Enterprise Agreement until May 2019.

We believe negotiating new, separate agreements that are customised for our Retail/Clerical and DC teams will deliver the best outcome for all our team members and our business. Team members have been, and will continue to be, engaged and consulted throughout the process for both agreements.

The remaining 21.5 per cent of our Australian team are covered by individual employment contracts. These are individually negotiated at point-of-hire and upon transfer to new roles.

In New Zealand and China, all team members employed are covered by

Individual Employment Agreements.

KEEPING OUR TEAM SAFE

The Group is committed to providing a safe, fair and equitable working environment for all our team members, contractors, customers and visitors.

Our Board and senior management continually monitor safety performance, the ongoing improvement of our safety management systems and the adequacy of risk management activities.

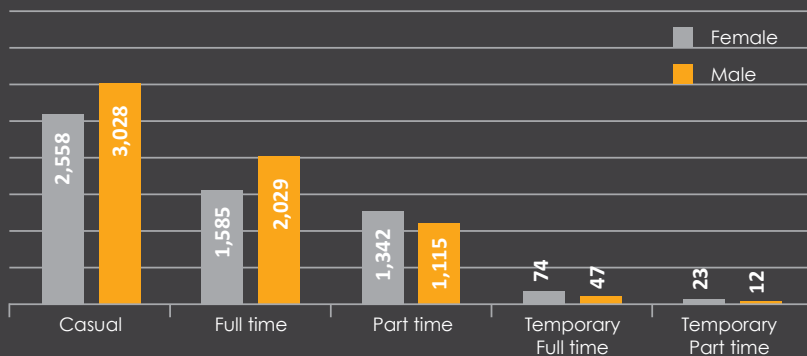
In FY2018, the Group renewed its focus on a holistic safety measure of Total Recordable Injury Frequency Rate (TRIFR)². TRIFR reduced 21.2 per cent this year with a measure of 23.84 per million hours worked.

For FY2018, the Group Lost Time Injury Frequency Rate (LTIFR) was 6.4 per million hours worked, resulting in a reduction from 6.5 from the previous year. Our results for FY2017 were adjusted from the previous report to reflect re-

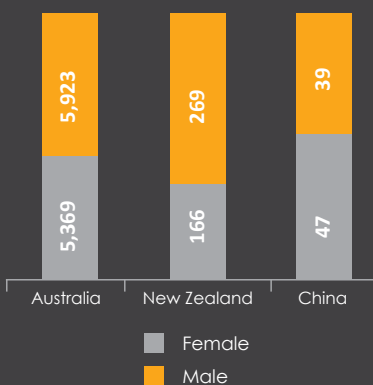
OUR TEAM

OUR WORKFORCE

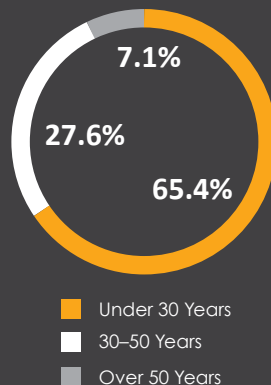
BY EMPLOYMENT TYPE, EMPLOYMENT CONTRACT AND GENDER



BY REGION AND GENDER

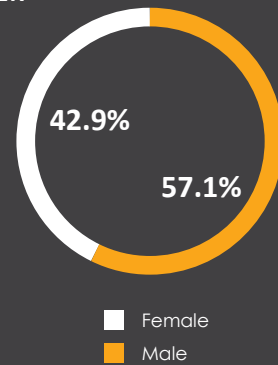


BY AGE GROUP

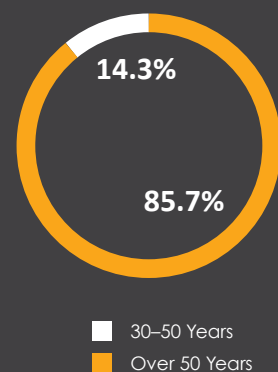


OUR BOARD

BOARD COMPOSITION BY GENDER

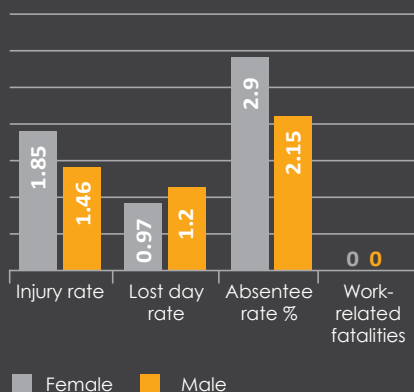


BOARD COMPOSITION BY AGE

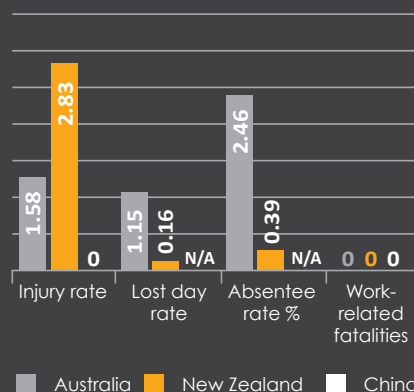


INJURY RATE, OCCUPATIONAL DISEASES RATE (OD), LOST DAY RATE, ABSENTEE RATE AND WORK-RELATED FATALITIES (WRF)

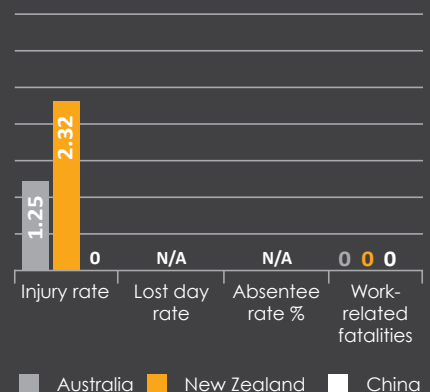
BY GENDER



BY REGION – TEAM MEMBERS



BY REGION – CONTRACTORS



* Data excludes Macpac team members

clarification of key definitions and the ongoing maturation of our data measurement.

There were no work related fatalities recorded during the reporting period. The continued decrease in TRIFR and LTIFR was supported by a whole-of-business focus on safety leadership, proactive risk management and increased team member awareness and education.

We continue to improve the effectiveness of the Group's Safety Management System, including reporting analytics and our safety performance, improving our processes and driving personal accountability for safety among team members through the view that safety is everyone's business.

BUILDING A DIVERSE AND INCLUSIVE TEAM

Fostering an inclusive work culture and maintaining an environment that embraces the diversity of our people makes our business stronger.

We believe that an ability to build and maintain a talented and diverse workforce is a key competitive advantage and essential to our organisation's growth. We achieve diversity by creating an inclusive environment; a workplace where all different kinds of people can thrive and succeed by bringing their 'whole self' to work.

We are firmly committed to ways of working, policies and practices that support diversity and inclusion. Examples include the launch of an improved parental leave offering for both primary and secondary carers in March 2018, which provides better support for all types of growing families: primary and secondary carers, female and male. We also launched the Support for Victims of Domestic and Family Violence Policy in November 2017, and offer flexible working arrangements to support our team members to pursue their leisure passions and meet personal and family needs.

GENDER DIVERSITY

In 2018, the Group achieved a higher

level of female participation than ever before, with a total team mix of 47 per cent female and 53 per cent male. Pleasingly, overall levels of women in leadership increased from 34 per cent in 2017 to 37.6 per cent in 2018 for key senior management roles (Bands 1-3), with a rise of 4.3 per cent (to 38.4 per cent) for management roles (Band 1-4).

Female representation on our Board remained consistent with the previous year's level of 43 per cent, while the number of women within the Group Executive Team is at 36.4 per cent. We remain committed to further advancing gender diversity at all levels, in line with our target of having 40 per cent female representation at Board and senior management level by 2020. Workplace diversity continues to be fostered through a monthly Achieving Women in Leadership Targets forum, Divisional Diversity committees and the Group's learning and development programs.

We encourage all team members across the Group to be strong advocates for diversity and inclusion in the business and retail sectors. This is led by our CEO Peter Birtles, who is an active member of the Queensland Male Champions of Change and a regular speaker on gender diversity and inclusion. Super Retail Group's 2018 Workplace Gender Equality Agency (WGEA) report is available via the WGEA website: <https://www.wgea.gov.au/>.

INVESTING IN LEARNING AND DEVELOPMENT

Super Retail Group strongly supports the learning and development of our team members and providing development opportunities that attract, grow and retain the talent needed to compete in today's marketplace.

Developing the skills and knowledge of our team members has been a key focus over the last year. We know how critically important team member capability is to the organisation: our team members' capability delivers the customer experience, helps us gain market share, drives innovation, develops new products and experiences,

and creates the right organisational culture.

LEADERSHIP

In FY2018, we established our School of Ultimate Learning and Leadership (SOUL). This broad program of work is a three-year strategy that will ensure we attract, retain, reward and develop our talent. It will invest in our team by growing their skills and knowledge, and reward and recognise them for living our values, passionate service and performance. It will also include targeted strategies that keep our team members safe, encourage diversity of thought and opinion, and build pride in what we do and who we are.

This program of work started with a specific focus on the capability of our senior leaders. We knew that our senior leaders are the organisation's narrators of change and need to drive our strategy. At the same time, we also know the execution of our organisation's strategy and the delivery of our customer promise relies on our team members' expertise and knowledge.

That's why SOUL began with a targeted leadership development program for our senior leaders (Bands 1-3). It included three specific group-wide learning experiences that focused on commercial acumen across the value chain, leading with customer-focus, and what it means to be an adaptive leader at Super Retail Group.

The SOUL leadership program delivered more than 4,500 organisational training hours to our senior leaders in FY2018. In addition, we deliver the following targeted group-wide development programs:

Ignite is a leadership development program that accelerates the development of our future leaders. The program runs over 18-24 months and has a current cohort of 12 team members.

Turbo Boost is a 12 month, high-potential development program for 13 team members, which combines best practice knowledge with practical hands-on application. It

² Total Recordable Injury described a work related injury/illness which results in medical treatment, restricted duties/hours, lost time injury or fatality. Medical Treatment includes attendance to medical facility, regardless of treatment provided.

focuses on the transition required to take on a larger leadership position for high potential team members from across the Group, and includes store managers.

The **Women in Leadership Development (WILD)** program equips female team members with the tools, skills and techniques required to advance their careers within the Group. Through this year's program, 31 participants are being provided with practical tools and tips to assist them in fulfilling their career goals.

iLEADwithSOUL is our management fundamentals program, focused on change leadership, customer-centricity and communication skills. Through this program we have delivered close to 3,000 organisational training hours to 166 first-time people leaders, with approximately 85 additional team members scheduled to commence over the next 12 months.

Our focus next year is on providing more contemporary learning at scale and speed to all our team members. This learning strategy will provide both common and tailored development opportunities through a combination of 'all-in' development days and customised learning journeys, supported by contemporary world class learning resources.

ACCREDITED LEARNING PROGRAM

Our learning and development commitment also extends to our Accredited Learning programs where we partner with a Registered Training Organisation that facilitates training and conducts assessments for a range of nationally-recognised qualifications for retail team members.

Over the last three years approximately 15 per cent of trainees who completed the program have progressed into higher duty roles. Of the trainees who completed the Certificate III program and have progressed into higher roles, more than 60 per cent have been female team members.

BUILDING A POSITIVE WORK ENVIRONMENT

At Super Retail Group everything starts with our team. Having healthy, happy and passionate team members is a key organisational priority and essential to providing inspiring solutions and experiences for our customers.

In 2017 we further invested in our team by launching SOULmoments - a digital platform (accessible via a mobile app or desktop) that enables team members to be instantly recognised across the Group. Through the power of 'instant recognition', a geographically dispersed workforce can now be instantly recognised and rewarded for living our values and passionate service to our customers, and leaders can instantly reinforce desired behaviours and culture.

Within three months of launching SOULmoments, we had 70 per cent of team members active on the platform and achieved a recognition index above best practice (53,000+). In less than six months we reached 100,000 recognitions. Our 2018 (Engagement) Pulse Survey results indicate that this is clearly meeting a need, with a three-point uplift in our key recognition question. We will continue to enhance and evolve the SOULmoments platform over the next year.

In May 2018 we conducted a Team Member Pulse Engagement Survey. The survey was conducted by an independent third party and provided us with valuable insights about our team members' engagement, including how this was tracking over time against historical scores and industry benchmarks. Results from the survey revealed that 70 per cent of our team members are engaged.

This puts Super Retail Group again in the top quartile for Australian and New Zealand organisations and one point below our score of 71 per cent in 2017³.

Complementing our highly engaged

team is our ability to maintain high levels of team member retention. During the reporting period, 3,846 team members joined Super Retail Group and our total retention levels remain strong at 74 per cent.

ENGAGING MEANINGFULLY WITH THE COMMUNITY

We encourage our team members to be involved in the communities in which we operate. This includes providing various forms of leave to help them undertake civic activities, including emergency services leave and natural disaster leave, as well as paid leave to team members donating to the Australian Red Cross Blood Service.



GreenMoney

We aim to raise awareness of environmental issues through our partnership with GreenMoney

– a program that rewards living green. Available in selected council areas, city workers and residents earn points each time they take a sustainable action, such as recycling, grabbing their coffee in a reusable cup or ditching the car. Points can be redeemed for discount vouchers at local and national businesses. Selected BCF, Rays, Rebel and Supercheap Auto stores in Victoria and New South Wales are part of the program, rewarding participants with in-store discounts for each voucher presented. A total of 854 rewards were downloaded for redemption during FY2018 – an increase of 51 per cent on last year.

SUPPORTING LOCAL COMMUNITIES

Many of our 670 plus stores across Australia and New Zealand hold charity initiatives in their local communities, such as social club team events.

Each of our brands manages their own community giving programs aligned to their core brand purpose and issues that matter most to their customers. Macpac's Fund for Good, BCF's partnership with OzFish and Rebel's NextGen Program are examples.

³ Aon's Global Engagement Research Database 2018



TEAM MEMBER TURNOVER

TOTAL

26.1%

AUST. AND NZ

2017

27.5%

12.9%

CHINA

2017

28.2%

BY REGION

94.2%

Australia

5.5%

New Zealand

0.4%

China

BY GENDER

42.6%

Female

57.4%

Male

BY AGE

75.3%

Under 30 Years

20.7%

30–50 Years

4.0%

Over 50 Years

NEW TEAM MEMBERS

BY GENDER

54.4%

MALE

45.6%

FEMALE

BY AGE



80.5%

Under 30 Years

16.8%

30–50 Years

2.7%

Over 50 Years

* Data excludes Macpac team members



MACPAC FUND FOR GOOD

The Macpac Fund for Good is a way of giving back, helping those committed to creating long-term change for the good of our people and planet. After all, team members at Macpac are passionate about protecting the environment and wildlife, having a lasting and positive impact on people's lives by encouraging outdoor activity, and supporting local communities.

Macpac Fund for Good aims to make a small but meaningful difference to as many organisations as possible by making financial contributions to those that align with Macpac's ideals. Supported groups fall into one of three areas:

- Adventure-based social development – supporting community organisations which run programs designed to rehabilitate, reform or generally improve lives through experiences in the outdoors.
- Environmental projects – supporting projects that are focused on preserving our natural environment, and restoring and protecting habitats and wildlife.
- Ethical manufacturing – supporting the talented factory workers who make our products and making sure they know how much they are appreciated.

Macpac Fund for Good provided support to 13 groups since the program started in September 2017, with over 1,500 people benefiting from funding. The support is valued at \$92,700 and includes cash and donations of outdoor gear.

BCF AND OZFISH

BCF understands that waterways play a major role in outdoor activities – particularly fishing – a sport enjoyed by almost 3.5 million Australians each year. There are many issues impacting the health of Australian

waterways, some of which – like high fish mortality and the loss of species diversity – place the future of our fisheries at risk.

With a commitment to making a positive contribution towards environmental and social change in this area, BCF partnered with OzFish in 2017. OzFish is committed to building a legacy of healthy waterways for future generations and to guiding recreational fishers in undertaking the work needed to achieve this goal. Together, BCF, OzFish and anglers from around Australia are building a sustainable fishing future by restoring the health of our waterways.

With financial support from BCF and its customers, the partnership is rolling out a series of grassroots projects. These include the resnagging of lakes and rivers, the improving of fish passage, oyster reef restoration, undertaking relevant research, and much more to help protect and restore fish habitats across Australia.

One key project that has been rolled out since the start of the partnership is the replanting of 500 trees on the banks of the Merri River in Warrnambool, Victoria. Another involves a reef restoration for shellfish to improve stocks and water quality in the Pumicestone Passage in Queensland.

BCF customers can contribute to habitat projects by donating in-store. In FY2018, our generous customers helped raise \$155,902. BCF is forecast to commit an additional \$500,000 in corporate and customer donations over the next financial year.

Team members at BCF will also have the opportunity to engage in the initiative through a team advocacy program. This will include a chance to get hands-on in providing practical assistance at one of the project sites.

Within the next five years our plan is simple – increase the output of habitat projects through the OzFish partnership and increase fundraising efforts through engaging

our customers online, in-store and through BCF contributions. We will also place more emphasis on cause awareness with the aim of helping BCF customers to connect with and understand the OzFish mission. Our ultimate goal is to build a community of environmental stewards who are empowered to actively manage the health of our waterways.

REBEL WOMEN IN SPORT

Rebel is proud to partner with major sporting codes in an effort to bring women's sport into the limelight, and remains committed to supporting and raising the profile of females in sport. Partnerships include naming rights to the WBBL (cricket), AFLW (AFL), NRL (National Rugby League) the Suncorp Super Netball and Australian Diamonds (netball) and W-League (football). Rebel also has a long-term ambassador relationship with Australian netballer, Laura Geitz.

Through these partnerships Rebel seeks to inspire the next generation of sports stars and show younger women that sport is not just a hobby, but a viable career path. From grassroots participation to elite athletes, Rebel is committed to making a positive contribution to supporting our inspiring women in sport.

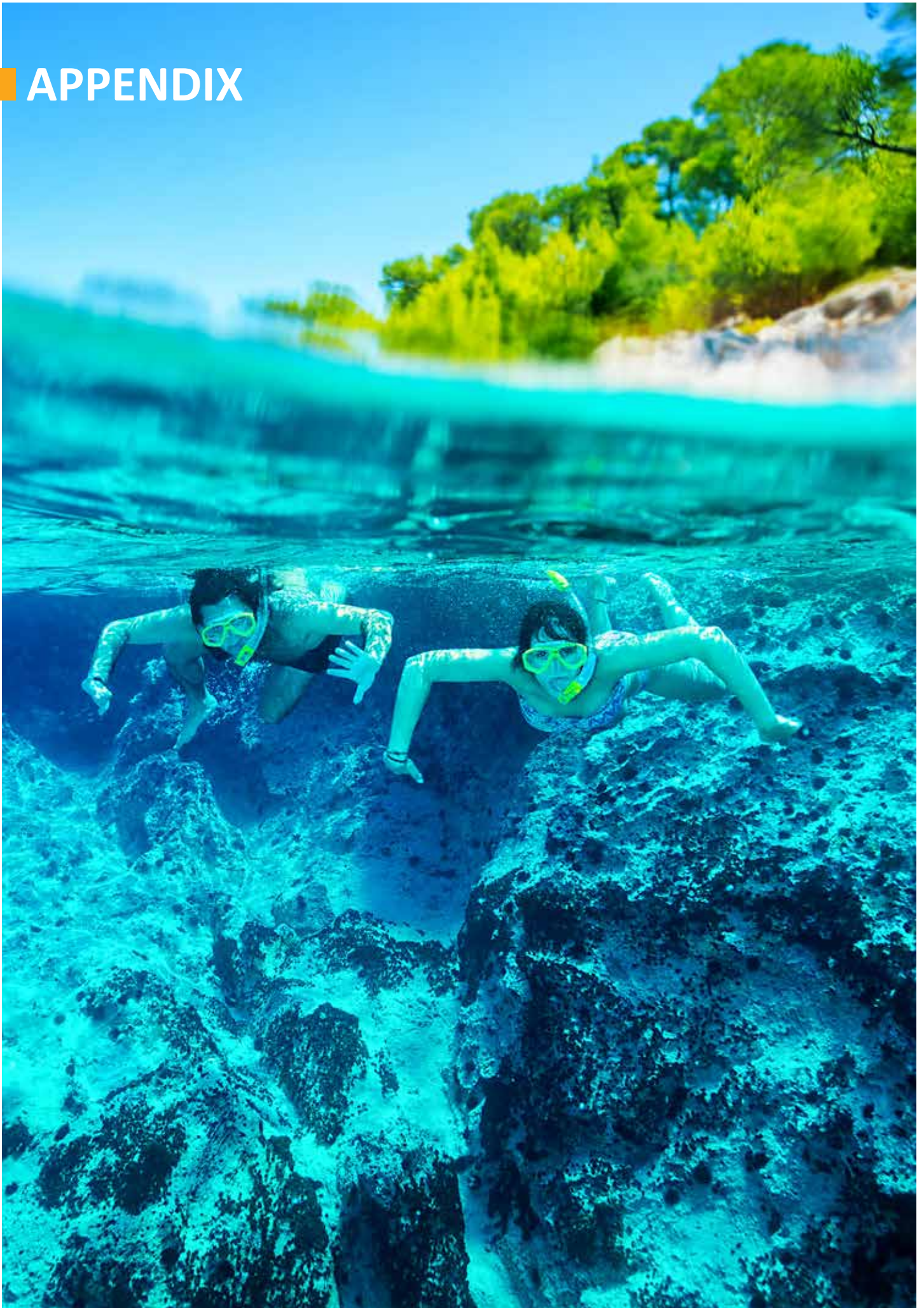
Another initiative Rebel has taken is the Rebel NextGen Program. In conjunction with each sporting code, Rebel awards an up-and-coming female athlete with a \$5,000 cash prize and access to a tailored online mentor program developed to provide athletes with essential skills to support young women in their sporting careers and beyond. The cash prize and online mentor program is further supported by a one-on-one mentor session between the award winner and Laura Geitz.

2017 – 2018 season award winners include:

- AFLW – Libby Birch
- WBBL – Sophie Molineux
- W-League – Jada Whyman.



APPENDIX



APPENDIX

APPENDIX 1: OUR IMPACTS AND MATERIALITY

MATERIAL ASPECT	ASPECT BOUNDARY	KEY STAKEHOLDERS	LIMITATION
CATEGORY: ECONOMIC			
Economic Performance	Our Operations	Team Members; Shareholders; Regulators; Trade Partners; Communities (current & future)	
Indirect Economic Impacts	Our Operations	Team Members; Trade Partners; Communities (current & future)	
CATEGORY: ENVIRONMENT			
Emissions	Our Operations	Shareholders; Regulators; Team Members; Trade Partners; Communities (current & future)	
Emissions	Our Operations	Shareholders; Regulators; Team Members; Trade Partners; Communities (current and future)	
Waste	Our Operations	Shareholders; Industry Associations; Communities (current & future)	
Environmental Compliance	Our Operations; Our Supply Chain	Shareholders; Regulators; Trade Partners; Communities (current & future); Customers	

APPENDIX 1: OUR IMPACTS AND MATERIALITY

MATERIAL ASPECT	ASPECT BOUNDARY	KEY STAKEHOLDERS	LIMITATION
CATEGORY: SOCIAL			
Employment	Our Operations	Team Members; Communities (current & future)	
Occupational Health & Safety	Our Operations	Team Members; Regulators; Communities (current & future)	Occupational Disease Rate (OD) not reported due to maturity of data
Training & Education	Our Operations	Team Members	Limited data due to different record keeping methods (on-line and paper based)
Diversity & Equal Opportunity	Our Operations	Team Members; Regulators; Communities (current & future)	
Non-Discrimination	Our Operations	Team Members; Regulators; Communities (current & future)	
Freedom of Association & Collective Bargaining	Our Operations; Our Supply Chain	Team Members; Shareholders; Customers; Communities (current & future); Trade Partners	
Child Labour	Our Operations; Our Supply Chain;	Shareholders; Communities (current & future); Trade Partners	
Forced & Compulsory Labour	Our Operations; Our Supply Chain	Shareholders; Communities (current & future); Trade Partners	
Supplier Social Assessment	Our Supply Chain	Trade Partners; Shareholders; Communities (current & future)	
Customer Health & Safety	Our Operations; Our Supply Chain	Customers; Communities (current & future); Shareholders; Regulators; Trade Partners	
Marketing & Labelling	Our Operations; Our Supply Chain	Customers; Regulators; Trade Partners; Communities (current & future)	
Customer Privacy	Our Operations	Customers; Regulators	
Socioeconomic Compliance	Our Operations	Shareholders; Customers; Regulators; Trade Partners; Communities (current & future)	

APPENDIX 2: GRI CONTENT INDEX

GENERAL DISCLOSURES

GRI STANDARD	DISCLOSURE	PAGE NUMBER	SECTION	NOTES	OMISSION
ORGANISATIONAL PROFILE					
GRI 102-1	Name of the organisation	-	This Index	Super Retail Group	
GRI 102-2	Activities, brands, products, and services	1	About Us; this Index	We do not sell products or services that are banned or that are the subject of public debate	
GRI 102-3	Location of headquarters	-	This Index	Lawnton, Qld, Australia	
GRI 102-4	Location of operations	1	About Us; this Index	Australia, New Zealand & China	
GRI 102-5	Ownership and legal form	1	About Us; this Index	Super Retail Group is an ASX listed company	
GRI 102-6	Markets served	1	About Us; this Index	Australia and New Zealand	
GRI 102-7	Scale of the organisation	-	This Index	Contained within our 2018 Annual Report , available at our corporate website	
GRI 102-8	Information on employees and other workers	13, 23-27	Promoting the Wellbeing of our Team Members and the Broader Community		
GRI 102-9	Supply chain	6-7, 1	Our Network; About Us		
GRI 102-10	Significant changes to the organisation and its supply chain	-	This Index	No significant changes from previous period	
GRI 102-11	Precautionary principle or approach	-	This Index	The Group applies the precautionary approach by analysing, monitoring and taking actions to reduce its environmental impacts. Our Environmental Policy is consistent with the Precautionary Principle	
GRI 102-12	External initiatives	17	Reducing Packaging and Waste; this Index	We are a signatory of the Australian Packaging Covenant and support the Fair Labour Association, the Universal Declaration of Human Rights, the Convention of Rights of the Child, the ILO Declaration on Fundamental Principles and Rights at Work and the UN Sustainable Development Goals	

APPENDIX 2: GRI CONTENT INDEX

GENERAL DISCLOSURES

GRI STANDARD	DISCLOSURE	PAGE NUMBER	SECTION	NOTES	OMISSION
GRI 102-13	Membership of Associations		This index	Member of the Australian Packaging Organisation (APCO)	
STRATEGY					
GRI 102-14	Statement from Senior Decision-maker	2-3	CEO's Message		
ETHICS AND INTEGRITY					
GRI 102-16	Values, principles, standards, and norms of behaviour	4-5, 9	Our Business; Governance		
GOVERNANCE					
GRI 102-18	Governance structure	9	Governance; This Index	Contained within our 2018 Corporate Governance Statement and 2018 Annual Report , available at our corporate website	
STAKEHOLDER ENGAGEMENT					
GRI 102-40	List of stakeholder groups	13	Stakeholder Engagement		
GRI 102-41	Collective bargaining agreements	13, 23	Promoting the Wellbeing of our Team Members and the Broader Community		
GRI 102-42	Identifying and selecting stakeholders	11	Stakeholder Engagement		
GRI 102-43	Approach to stakeholder engagement	11	Stakeholder Engagement		
GRI 102-44	Key topics and concerns raised	11	Stakeholder Engagement		
REPORTING PRACTICE					
GRI 102-45	Entities included in the consolidated financial statements	-	This Index	Contained within Super Retail Group 2018 Annual Report	
GRI 102-46	Defining report content and topic Boundaries	12, 31-32	Managing our Most Material Issues; Appendix 1		
GRI 102-47	List of material topics	12, 11, 31-32	Managing our Most Material Issues; Stakeholder Engagement; Appendix 1		

APPENDIX 2: GRI CONTENT INDEX

GENERAL DISCLOSURES

GRI STANDARD	DISCLOSURE	PAGE NUMBER	SECTION	NOTES	OMISSION
GRI 102-48	Restatements of information	-	This Index	No restatements this year	
GRI 102-49	Changes in reporting	-	This Index	GRI 302 immaterial and no longer reported	
GRI 102-50	Reporting period	-	About this Report	Within the Contents page	
GRI 102-51	Date of most recent report	-	This Index	2017 Sustainability Report (1 July 2016 to 30 June 2017)	
GRI 102-52	Reporting cycle	-	This Index	Annual	
GRI 102-53	Contact point for questions regarding the report	-	About this Report	Within the Contents page	
GRI 102-54	Claims of reporting in accordance with the GRI Standards	-	About this Report	Within the Contents page	
GRI 102-55	GRI content index	-	This Index		
GRI 102-56	External assurance	-	This Index	Super Retail Group did not seek external assurance for this report	

SPECIFIC STANDARD DISCLOSURES

GRI STANDARD	DISCLOSURE	PAGE NUMBER	SECTION	NOTES	OMISSION
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200 (ECONOMIC TOPICS)

GRI 201: ECONOMIC PERFORMANCE 2016

GRI 103	Explanation of the material topic and its boundary	9	This Index, Our Economic Contribution	The Group supports the economy through taxes, job creation (directly and indirectly), and support to the community and local trade partners. For detailed information about our economic performance please refer to our 2018 Annual Report , available at our corporate website	
GRI 201-1	Direct economic value generated and distributed	9	This Index; Our Economic Contribution	Contained within our 2018 Annual Report , available at our corporate website	

APPENDIX 2: GRI CONTENT INDEX

SPECIFIC STANDARD DISCLOSURES

GRI STANDARD	DISCLOSURE	PAGE NUMBER	SECTION	NOTES	OMISSION
GRI 201-2	Financial implications and other risks and opportunities due to climate	13, 17-21	Reducing our Environmental Footprint; this Index	Contained within our CDP Report, available at our corporate website	
GRI 203-2	Significant indirect economic impacts	-	This Index	We provide products to consumers at a reasonable price and contribute to indirect job creation through our supply chain	

300 (ENVIRONMENTAL TOPICS)

GRI 305: EMISSIONS 2016

GRI 103	Explanation of the material topic and its boundary	17, 19, 21	Reducing our Environmental Footprint; Reducing Greenhouse Gas Emissions; Lowering transport emissions	
GRI 305-1	Direct (Scope 1) GHG emissions	19, 21	Reducing Greenhouse Gas Emissions	
GRI 305-2	Energy indirect (scope 2) GHG Emissions	19, 21	Reducing Greenhouse Gas Emissions	
GRI 305-5	Reduction of GHG emissions	19, 21	Reducing Greenhouse Gas Emissions; Lowering transport emissions	

GRI 306: EFFLUENTS AND WASTE 2016

GRI 103	Explanation of the material topic and its boundary	17-21	Reducing our Environmental Footprint; Reducing Packaging and Waste	
GRI 306-2	Waste by type and disposal method	17, 21	Reducing Packaging and Waste	

GRI 307: ENVIRONMENTAL COMPLIANCE 2016

GRI 103	Explanation of the material topic and its boundary	17	Reducing our Environmental Footprint;	
GRI 307-1	Non-compliance with environmental laws and regulations	-	This Index	No incidents related to non-compliance with environmental laws and regulations were recorded during the reporting period

APPENDIX 2: GRI CONTENT INDEX

SPECIFIC STANDARD DISCLOSURES

GRI STANDARD	DISCLOSURE	PAGE NUMBER	SECTION	NOTES	OMISSION
400 (SOCIAL TOPICS)					
LABOR PRACTICES AND DECENT WORK					
GRI 401: EMPLOYMENT 2016					
GRI 103	Explanation of the material topic and its boundary	23-24	Promoting the Wellbeing of our Team Members and the Broader Community; Our Team		
GRI 401-1	New employees hires and employee turnover	25-27	Leadership		
GRI 403: OCCUPATIONAL HEALTH AND SAFETY 2016					
GRI 103	Explanation of the material topic and its boundary	23-25	Promoting the Wellbeing of our Team Members and the Broader Community; Keeping our Team Safe		
GRI 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	23-25	Keeping our Team Safe ; Our Team	Occupational Disease Rate (OD) is not reported due to maturity of data	Quantitative data
GRI 404: TRAINING AND EDUCATION 2016					
GRI 103	Explanation of the material topic and its boundary	25-26	Investing in Learning and Development; Leadership		
GRI 404-3	Percentage of Employees receiving regular performance and career development reviews	-	This Index	We are currently unable to provide an accurate number of team members receiving regular performance and career development reviews due to different record keeping methods (on-line and paper based)	Quantitative data
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY 2016					
GRI 103	Explanation of the material topic and its boundary	25	Building a Diverse and Inclusive Team; Gender Diversity		
GRI 405-1	Diversity of governance bodies and employees	24-25	Building a Diverse and Inclusive Team; Gender Diversity; Our Team		

APPENDIX 2: GRI CONTENT INDEX

SPECIFIC STANDARD DISCLOSURES

GRI STANDARD	DISCLOSURE	PAGE NUMBER	SECTION	NOTES	OMISSION
HUMAN RIGHTS					
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING 2016					
GRI 103	Explanation of the material topic and its boundary	13, 15	Ensuring our Business Practices are Responsible; Sourcing Ethically		
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	15	Sourcing Ethically		
GRI 408: CHILD LABOR 2016					
GRI 103	Explanation of the material topic and its boundary	15	Ensuring our Business Practices are Responsible; Sourcing Ethically		
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	15	Sourcing Ethically		
GRI 409: FORCED OR COMPULSORY LABOR 2016					
GRI 103	Explanation of the material topic and its boundary	15	Ensuring our Business Practices are Responsible; Sourcing Ethically		
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	15	Sourcing Ethically		
GRI 414: SUPPLIER SOCIAL ASSESSMENT 2016					
GRI 103	Explanation of the material topic and its boundary	15	Sourcing Ethically		
GRI 414-1	New suppliers that were screened using social criteria	15	Sourcing Ethically		
GRI 414-2	Negative social impacts in the supply chain and actions taken	15	Sourcing Ethically		

APPENDIX 2: GRI CONTENT INDEX

SPECIFIC STANDARD DISCLOSURES

GRI STANDARD	DISCLOSURE	PAGE NUMBER	SECTION	NOTES	OMISSION
SOCIETY					
PRODUCT RESPONSIBILITY					
GRI 416: CUSTOMER HEALTH AND SAFETY 2016					
GRI 103	Explanation of the material topic and its boundary	16	Providing Safe Products		
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	16	Providing Safe Products		
GRI 417: MARKETING AND LABELING 2016					
GRI 103	Explanation of the material topic and its boundary	16	Responsible Marketing		
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	16	Providing Safe Products		
GRI 417-3	Incidents of con-compliance concerning marketing communications	16	Responsible Marketing		
GRI 418: CUSTOMER PRIVACY 2016					
GRI 103	Explanation of the material topic and its boundary	16	Protecting Customer Information		
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	16	Protecting Customer Information		
GRI 419: COMPLIANCE					
GRI 103	Explanation of the material topic and its boundary	16	Providing Safe Products; Responsible Marketing; Protecting Customer Information		

APPENDIX 2: GRI CONTENT INDEX

SPECIFIC STANDARD DISCLOSURES

GRI STANDARD	DISCLOSURE	PAGE NUMBER	SECTION	NOTES	OMISSION
GRI 419-1	Non-compliance with laws and regulations in the social and economic area		This Index	No incidents of non-compliance with laws and regulations in the economic area were recorded during the reporting period. In the social area, a review of store Set Up projects found team members were not paid in accordance with the appropriate award, and there was an inconsistent approach in how time in lieu, overtime payments and allowances were applied to additional hours worked. Starting September 2018, back payments, including interest, will be made to affected team members to ensure they are fully compensated. We have fixed our approach to ensure both short term and permanent Set Up team members are paid correctly and we also self-reported this non-compliance to the Fair Work Ombudsman.	





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