



Responsible Timber Sourcing Policy August 2018

Bunnings has been committed to responsible timber sourcing for well over a decade. We understand our responsibility to ensure that the communities where we source timber derive direct and long term benefit from well managed forestry operations.

Our goal is to ensure all timber and wood products supplied to Bunnings originate from:

- Legal, responsibly sourced and well managed forest operations.
- Plantations or natural forest that don't contribute to deforestation by conversion or clearing.
- Forests that provide direct benefit to local communities.

By December 2020 all timber in our products originating from natural forests will originate from third party certified forests (e.g. FSC or PEFC).

Bunnings commitment to responsible timber sourcing began in 2001 when we introduced a zero tolerance approach to illegally logged timber in our supply chain. During this time Bunnings has worked closely with key industry groups, government and environmental organisations to continuously improve our timber sourcing practices.

We have worked closely with suppliers to confirm the legality of wood products. To ensure that our goal is achieved Bunnings evaluates all suppliers of timber products, and conducts annual timber supply chain due diligence to verify the source and chain-of-custody of the timber products we purchase. We monitor and report supplier performance and agreed action plans on an annual basis. In sensitive forest regions the timber that we purchase must have credible third party certification. This ensures that these regions are protected and the ongoing biodiversity of the forest is maintained.

We can state with confidence that more than 99 per cent of business wide timber products are confirmed as from low risk plantation, verified legal, or certified responsibly sourced forests. Within that, more than 79 per cent of Bunnings total timber products are sourced from independently certified forests or sourced with demonstrated progress towards achieving independent certification, such as that provided by the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC). We believe that our customers and team members have a right to know that the timber we sell is responsibly sourced and we remain committed to ensuring that we provide this assurance.

To deliver on our policy commitment we exclude timber sources where:

- The source forest is known or suspected to be of high conservation value, except where:
 - The forest is certified or;
 - In progress to certification under a credible certification system, or;
 - The forest manager can demonstrate that the forest and/or surrounding landscape is managed to ensure that value is maintained.
 - The source forest is highly contentious, and impacting endangered species, and lacks appropriate third party certification to an FSC or equivalent standard.
 - The source forest is being actively converted from natural forest to a plantation or other land use, unless the conversion is justified on grounds of net social and environmental gain, including the enhancement of high conservation values in the surrounding landscape.
 - The material was illegally harvested or traded.
 - The material was traded in a way that drives violent armed conflict or threatens national or regional stability (what is commonly referred to as conflict timber).
 - The harvesting or processing entity, or a related political or military regime, is violating human rights.
 - The supplier doesn't support indigenous communities.
 - The material is sourced from genetically modified trees.
 - The source forest is unknown.
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