

ASX ANNOUNCEMENT

Monday, 21 September 2020

2020 Sustainability Report

Super Retail Group Limited (**ASX:SUL**) is pleased to provide its 2020 Sustainability Report to the market.

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This announcement was authorised for release by the Board of Super Retail Group Limited.

20 20 SUSTAINABILITY REPORT

Super Retail
Group



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 and has been externally assured. It covers our operations in Australia, New Zealand and China, including our store network, support offices and distribution centres for the period 1 July 2019 to 30 June 2020 (unless noted otherwise). We have noted where data is not available, incomplete or in a separate document. All financial figures are reported in Australian dollars, unless otherwise specified. Detailed financial information can be found in Super Retail Group's FY20 [Annual Report](#). Sustainability reports from previous years are available on our website www.superretailgroup.com.au

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

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United Nations
Global Compact

CEO's Message

Across the year, we increased our recycling rate, reduced our carbon emissions, improved our safety performance and was named as a sustainability leader in the retail sector. This was achieved in a year that was like no other.

Two significant events in the year tested the strength and long-term sustainability of the Group.

The devastating summer bushfire season and the global impact of the coronavirus brought unique challenges. These events showed how our four core brands support the communities in which they operate; in both the good times as well as times of greatest need. They also reinforced our source of advantage - engaged team, loyal customers and powerful brands - as the features underpinning the strength of the Group.

I am very pleased with how the business responded during these events.

The health and safety of our team members, customers, trade partners and the wider community has remained the Group's highest priority. I thank our team members for their extraordinary efforts during a very challenging time.

The Group took a number of pre-emptive measures to protect shareholder value and maintain team member employment during the period.

These measures enabled the business to continue trading throughout the peak COVID-19 lockdown period and avoid a broad 'stand-down' of team members. Keeping our stores open, where government and health authorities allowed, while pivoting our efforts towards the uplift in demand in our online

DEAR SHAREHOLDER

In FY20, we continued to make good progress towards adopting a sustainable approach to our business operations. That approach continues to be guided by a commitment to social, ethical and environmental initiatives that benefit our team, investors, customers, trade partners and the communities in which we operate.

channels, enabled us to successfully navigate a difficult period.

As you will read in this report, we have made good progress in implementing our sustainability initiatives throughout the year.

Across the Group, we completed energy efficiency upgrades for 62 stores, which is expected to reduce carbon emissions from our store fleet by almost 1,750 tonnes annually. Our recycling rate increased by 2 per cent to 65 per cent when compared to last year.

Our brands continue to support our sustainability journey. In Supercheap Auto, we recycled more than 1.3 million litres of oil and 79,000 car batteries returned to stores by our customers. BCF contributed \$280,000 and helped its customers raise a further \$250,000 to support OzFish in protecting and restoring waterways and fish habitats. Our rebel team started an in-store sports shoe recycling initiative and continued to champion women's sport through the rebel Women Mentor Program. Macpac continues to be a champion of operationalising ethical manufacturing and completed their move to Fairtrade certified cotton for its T-shirt production.

For our team, our focus on safety reporting, early intervention, incident investigations, line accountability and initiatives such as the 'back of house' rest program delivered improved injury rates, including a 25 per cent reduction in our Total Recordable Injury Frequency Rate.

The Group was awarded the Workplace Gender Equality Agency's (WGEA) Employer of Choice for Gender Equality citation - the first retail organisation to achieve this citation under the Agency's new criteria. Acknowledgement from the WGEA is the

culmination of sustained commitment over many years to a diverse and inclusive workforce and confirmation of the progress we are making towards gender equality.

We also enhanced our commitment to the ongoing learning and development of our team, which is critical to our success and sustainability as an organisation.

As a signatory to the United Nations Global Compact (UNGC), we strongly support the Ten Principles of the UNGC in the areas of Human Rights, Labour, Environment and Anti-Corruption and contribute to the UN Sustainable Development Goals (SDGs) through our operations, products and supply chain. In this report, we share our performance against the UNGC core values.

This year will be remembered for many reasons. I am proud of the Group's response to the significant events of 2020 and equally proud of our commitment to continuing to build sustainable practices across our businesses. I look forward to building on these initiatives and making real change to the social and environmental issues that we all care about.

Anthony Heraghty
Group Managing Director and Chief Executive Officer

2020 sustainability at a glance



CARING FOR
OUR NATURAL
ENVIRONMENT

>8%

REDUCTION IN
CARBON EMISSIONS
FROM BASE YEAR
FY17



PASSIONATELY
SUPPORTING
OUR TEAM

10.58

TOTAL RECORDABLE
INJURY FREQUENCY
RATE (TRIFR) IN FY20

A 25 per cent reduction on
the previous year.



PASSIONATELY
SUPPORTING
OUR TEAM

Invested in measures such
as contactless Click &
Collect to keep our team
and customers safe during
the COVID-19 pandemic



PASSIONATELY
SUPPORTING
OUR TEAM



Awarded the Workplace
Gender Equality Agency's
Employer of Choice for
Gender Equality citation



ACTING WITH
INTEGRITY

Supported trade partners in
China during the COVID-19
pandemic by offering free
webinars through our strategic
partner, Elevate, to help factory
managers promote wellness to
their workers



CARING FOR
OUR NATURAL
ENVIRONMENT

1,339,136

RECYCLED LITRES OF OIL

79,540

RECYCLED CAR BATTERIES
THROUGH SUPERCHEAP
AUTO STORES



CARING FOR
OUR NATURAL
ENVIRONMENT

65%

RECYCLING RATE FOR ALL
WASTE MATERIAL FROM OUR
OPERATIONS

Up by 2 per cent from FY19



CARING FOR
OUR NATURAL
ENVIRONMENT

>24,000

RECYCLED PAIRS OF SHOES
THROUGH REBEL'S IN-STORE
COLLECTION



**The Sustainability
Yearbook 2020**



ACTING WITH
INTEGRITY

Included in the SAM
Sustainability Yearbook
2020 as a Sustainability
leader in the retail sector



CARING FOR
OUR NATURAL
ENVIRONMENT

\$280,000

BCF CONTRIBUTED TO THE
SUPPORT OF OZFISH

BCF helped its customers raise a further
\$250,000 to support OzFish in protecting
and restoring waterways and fish habitats



ACTING WITH
INTEGRITY

52

MAINTAINED OUR DOW
JONES SUSTAINABILITY
INDEX SCORE

Top quartile within the DJSI
retail sector



About us

Super Retail Group (ASX: SUL) is the proud owner of four iconic brands: Supercheap Auto, rebel, BCF and Macpac, and is one of Australia and New Zealand's largest retailers.

Our powerful brands have established, leading positions in the growing high-involvement lifestyle categories of auto, sports and outdoor leisure. Our 12,987 passionate team members are committed to inspiring our customers to live their passions. We provide our customers and highly engaged 6.6 million active loyalty club members with the option to experience our brands whenever and however they choose – whether that's through our network of 697 stores or via our digital capabilities, which we continue to enhance.



**SUPERCHEAP
AUTO**

1.71m

ACTIVE CLUB MEMBERS

63

CLUB MEMBER NPS

40%

CLUB SALES
% TOTAL SALES

326

STORE NUMBERS

39.5%

PRIVATE BRAND MIX

rebel

2.88m

ACTIVE CLUB MEMBERS

55

CLUB MEMBER NPS

66%

CLUB SALES
% TOTAL SALES

160

STORE NUMBERS

9.4%

PRIVATE BRAND MIX

12,987

TEAM MEMBERS

697

STORES

4

SUPPORT
OFFICES

7

DISTRIBUTION
CENTRES

\$2.83b

GROUP SALES
REVENUE

\$154.1m

NORMALISED NET
PROFIT AFTER TAX



1.54m

ACTIVE CLUB MEMBERS

64

CLUB MEMBER NPS

83%

CLUB SALES
% TOTAL SALES

139

STORE NUMBERS

33.7%

PRIVATE BRAND MIX



0.45m

ACTIVE CLUB MEMBERS

67

CLUB MEMBER NPS

64%

CLUB SALES
% TOTAL SALES

72

STORE NUMBERS

86.7%

PRIVATE BRAND MIX

Our 2030 sustainability strategy and materiality

Focusing on what matters



BCF and OzFish have built a close and genuine partnership to rebuild, restore and regenerate fish habitat.

Our key stakeholders include our team members, customers, investors, trade partners, community partners, governments and regulators. We engage with them through our store network, loyalty club memberships, consumer research, social media platforms, customer service helplines, employee engagement, investor briefings, industry bodies and government relations.

Our materiality assessment takes into consideration:

- Key stakeholders' views and expectations
- Sustainability challenges and trends in the retail industry
- Our business goals and policies
- United Nations' Sustainable Development Goals (SDGs)
- Global disclosure frameworks
- External assessment results from market analysts, proxy advisors and media
- Emerging regulatory risks

The Group's risk management framework (RMF) complements our materiality assessment. The Board reviews the RMF in conjunction with the annual strategic planning process and takes into account the material risks in endorsing the Group's strategic direction. For further information about our RMF please refer to our [2020 Corporate Governance Statement](#), available on our website.

Our 2030 Sustainability Strategy builds on what is important to our business and stakeholders. It focuses on creating a world of good to drive and achieve lasting sustainable outcomes under three pillars: acting with integrity, passionately supporting our team, and caring for our natural environment.

The table on the following page outlines 12 environmental, social and governance (ESG) material issues agreed by our Executive Leadership Team, grouped under the three pillars of our 2030 Sustainability Strategy.



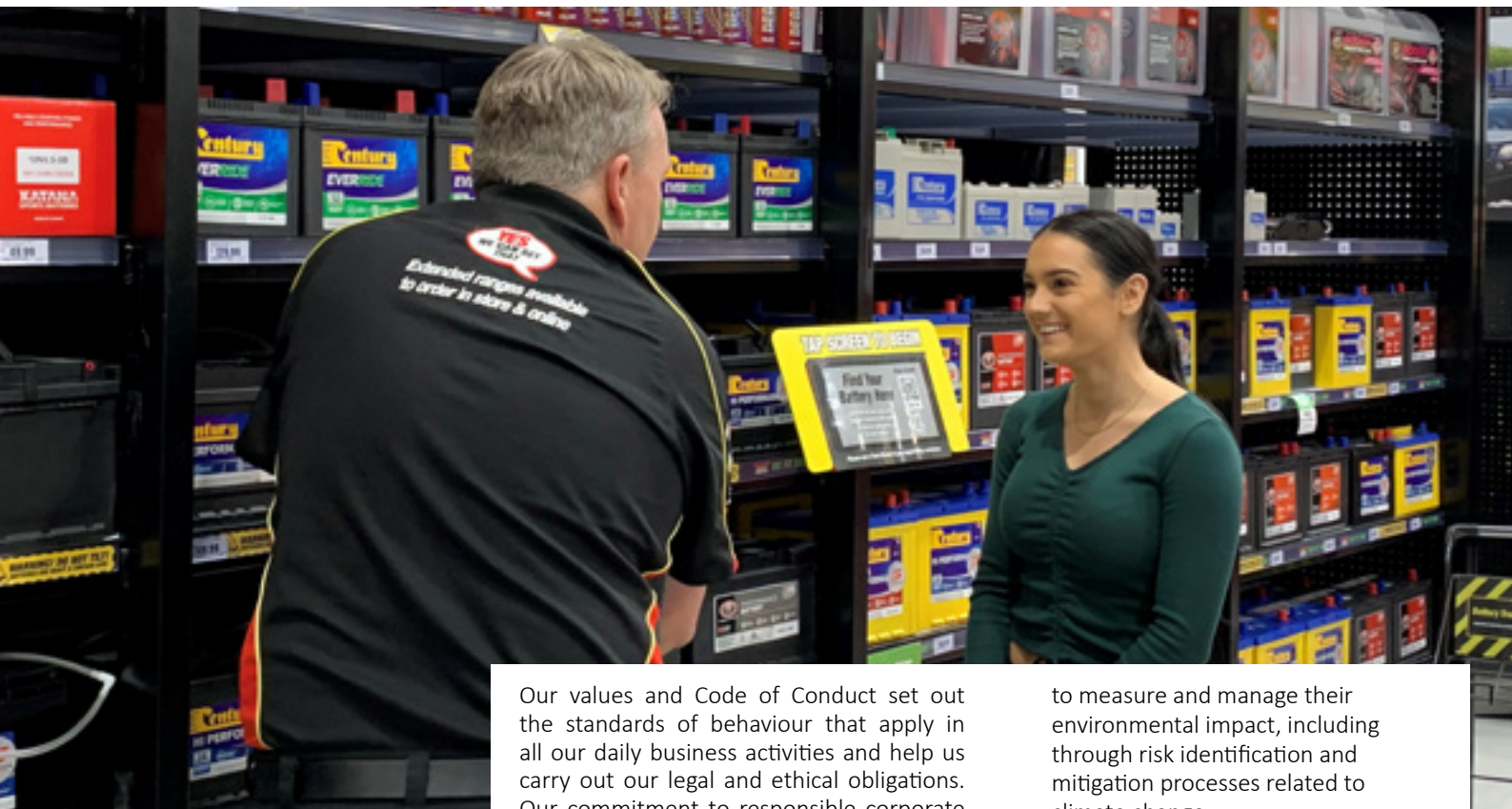
| 2030 SUSTAINABILITY STRATEGIC PILLAR | MATERIAL ISSUES | OUR STRATEGIC COMMITMENTS 2018 - 2030 | MOST RELEVANT SDGS |
|--|---|--|---|
|  PASSIONATELY SUPPORTING OUR TEAM | <ol style="list-style-type: none"> Engaged, fulfilled and healthy team Fairness, equity and gender equality Continuous learning and development | <ul style="list-style-type: none"> Consistent, top quartile engagement (ANZ) Safety is everyone's business 50:50 gender equality (Women in Leadership Bands 1-3, Women in Leadership Bands 1-4, female people leaders) Strive to achieve the Workplace Gender Equality Agency (WGEA) Employer of Choice for Gender Equality (EOCGE) citation Invest in our team and provide development opportunities that attract, grow and retain the talent needed to compete in tomorrow's marketplace |   |
|  ACTING WITH INTEGRITY | <ol style="list-style-type: none"> Transparency and openness Contributing to community Responsible sourcing Product safety Respect for privacy | <ul style="list-style-type: none"> Continually improve ESG disclosure in line with industry best practice Contribute to community programs that support our customers' and team members' passions Improve transparency beyond first-tier suppliers for high-risk supply chains Invest in capability-building for our trade partners Source cotton, down and feather insulation, wood, board and paper from sustainable sources Product Compliance System built around product safety, protecting our customers Protect the privacy of our team members and customers by protecting the data they share with us |    |
|  CARING FOR OUR NATURAL ENVIRONMENT | <ol style="list-style-type: none"> Responding to climate change Sustainable packaging and products Promoting reduce-reuse-recycle Protecting nature and waterways | <ul style="list-style-type: none"> Reduce carbon emissions by 20 per cent by FY30 through energy efficiency measures Adopt a circular economy model for our private brand products and packaging Create connections with customers through sustainable product, packaging and in-store recycling Adopt the Australasian Recycling Label for our private brand products and encourage our trade partners to do the same 100 per cent of all our private brand packaging to be reusable, recyclable or compostable 50 per cent recycled content in our private brand packaging Support environmental conservation and restoration programs where our customers play |    |



ACTING WITH
INTEGRITY

Acting with integrity

Supporting communities who support us by doing the right thing



Our values and Code of Conduct set out the standards of behaviour that apply in all our daily business activities and help us carry out our legal and ethical obligations. Our commitment to responsible corporate conduct is underpinned by being open and transparent, making a positive contribution to society, sourcing our products responsibly, providing safe products for our customers and protecting the privacy of our customers' and team members' personal information.

During FY20 we introduced Whispli, an online platform that facilitates anonymous and confidential reporting of any potential breaches to our Code of Conduct. Since introduction, we have gained valuable insights that help us continuously improve our corporate culture.

TRANSPARENCY AND OPENNESS

We believe that greater transparency enhances accountability and helps earn the trust of our customers, team members, shareholders and the communities in which we operate.

In addition to compliance with our continuous disclosure obligations set out in our [Continuous Disclosure Policy](#), we participate in a number of voluntary ESG disclosure programs, including:

- **CDP:** an investor-driven disclosure initiative that enables companies

to measure and manage their environmental impact, including through risk identification and mitigation processes related to climate change;

- **Dow Jones Sustainability Indices (DJSI):** a series of indices that track the performance of the world's leading public companies using economic, environmental and social criteria;
- **United Nations Global Compact (UNGC) Communication on Progress:** the mechanism through which we report on our efforts to support and uphold the Ten Principles of the UNGC; and
- **ISS Environmental & Social 'QualityScore':** a data-driven solution for institutional investors, designed to measure and identify areas of environmental and social risk through company disclosure.

CONTRIBUTING TO COMMUNITY

The Group employed 12,987 team members in Australia, New Zealand and China in June 2020. In FY20, we paid more than \$544.4 million in wages, \$40.6 million in taxes and \$56.2 million in dividends to our shareholders.



ACTING WITH
INTEGRITY

OUR VALUES



PASSION



OPENNESS



INTEGRITY



CARE



DISCIPLINE

\$544.4m

SALARY & WAGES PAID

DIVIDENDS PAID TO
SHAREHOLDERS

\$56.2m

CAPITAL
EXPENDITURE

\$68.4m

TAXES PAID

\$40.6m



ACTING WITH
INTEGRITY

Our community partnerships

We support a number of community programs that align with the customer value proposition of our retail brands and the Group's overall Sustainability Strategy.

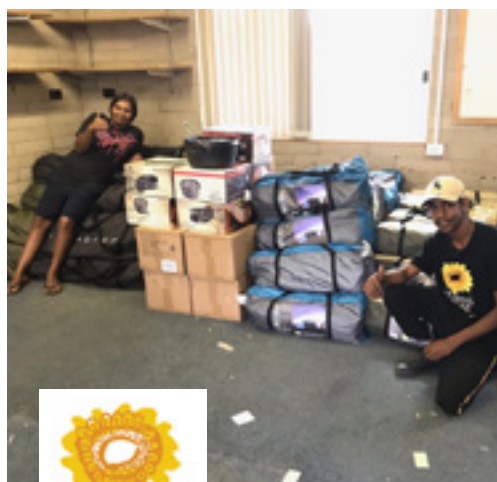


Supporting first responders and communities affected by bushfires

We recognise the self-sacrifice and the contribution that emergency service volunteers make to our community. To support this contribution, we offered unlimited paid Emergency Services Leave to team members who were active volunteer firefighters during the devastating summer bushfires in FY20 so they could continue to fight the fires.

Super Retail Group also contributed \$250,000 to the Red Cross Disaster Relief and Recovery program to help those affected by the bushfires.

All our brands actively participated in the retail industry's inaugural First Responders Day on 25 June 2020 with special discounts and offers for all first responders, as a thank you for their work during the bushfires and COVID-19 pandemic.

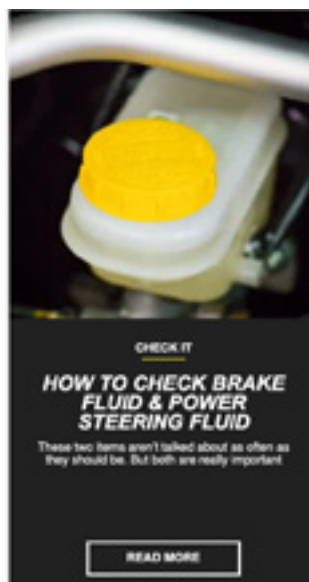


Helping Aboriginal communities to self-isolate during COVID-19

BCF and Macpac donated essential items to Children's Ground – an organisation working with Aboriginal communities in the Northern Territory – to enable some of our most remote Aboriginal communities to more effectively keep themselves, their families and their communities safe during COVID-19.

BCF donated tents, camping ovens, sleeping mats and water carriers and Macpac donated products including down and fleece jackets, thermals and footwear.

Children's Ground reached out to Super Retail Group when issues emerged with the availability of essential items in remote areas during COVID-19. Our BCF team in Darwin and Macpac teams in Sydney, Melbourne and Preston were able to respond quickly and provide much-needed items.



Supercheap Auto – Keeping our young drivers safe

In partnership with Driver Safety Australia, Supercheap Auto invests in a young driver safety program to raise awareness amongst young drivers on the importance of undertaking regular vehicle safety checks. Unfortunately, this year's national campaign day was postponed due to COVID-19 restrictions, however, last year, our team members trained more than 1,600 young drivers in our stores about vehicle safety as part of a national campaign. In addition, more than 5,000 people learned how to check their vehicle online through our 'Check It' video tutorials.



rebel Women in Sport

Our team's passion for championing women's sport continued in FY20 with further development and expansion of the rebel Women Mentor Program which covers all five of our sporting code partnerships.

The following awards were presented in FY20:

- **NRL Women's (NRL):** rebel Rookie of the Year – Millie Boyle
- **Suncorp Super Netball (netball):** rebel Rising Star – Amy Parmenter
- **WBBL (cricket):** rebel Young Gun – Hannah Darlington
- **AFLW (AFL):** rebel Young Leader – Hayley Miller / Alyce Parker
- **W-League (football):** rebel Role Model – Ally Green / Shay Evans

The awards comprise three elements: \$5,000 cash, access to the rebel Women Online Mentoring Program and an individual mentoring session with former Netballer and Australian Diamond Captain, Laura Geitz. Access to the online mentoring program was also offered to the all AFLW Rising Star Nominees, and the AFLW All Australian Team.

Our rebel team sponsored a number of events organised by Women's Health Magazine, including the WINS awards and the Magazine's International Women's Day panel event that celebrated Game-Changing Sportswomen. Our mentees were invited to attend both events. We also held a media training session for our mentors.

GreenMoney



We partner with GreenMoney to help people to make more sustainable decisions in their daily lives. Available in selected council areas, the partnership rewards participants for living green by allowing them to earn points every time they recycle, grab their coffee in a reusable cup, or ditch the car to walk or ride to work. Points can be redeemed for discount vouchers at selected BCF, rebel and Supercheap Auto stores in Victoria and NSW. A total of 658 discount vouchers were downloaded for redemption in our stores during FY20, an increase of 44 per cent compared to the same period last year.

Investing in young people

In February 2019 we launched our school-based trainee program. This program provides students aged 16 years or older with valuable industry skills while they complete their secondary school qualifications. Through these traineeships, we hope to improve their employability with a rewarding experience and a nationally recognised qualification.

There are six school-based trainees in the current program, further enabling the stores to continue connecting with their local community and inspire the next generation of retailers.



Macpac Fund for Good

The Macpac Fund for Good offers financial support and equipment to organisations focused on outdoor-based social development, environmental conservation and restoration, and projects that benefit the lives of workers in our supply chain.

During FY20, the Fund gave cash and gear grants worth \$340,000 to more than 20 Australian and New Zealand-based organisations committed to doing good in the world. [Outward Bound](#) and [Hillary Outdoors](#) are examples.



ACTING WITH
INTEGRITY

Responsible Sourcing



Our customers', team members' and shareholders' ever-increasing interest in protecting vulnerable workers in the supply chain drives us to do more to foster and protect human rights and fair working conditions within our supply chain.

Our Responsible Sourcing Program is aligned with the UN Guiding Principles on Business and Human Rights, the [UN Global Compact](#) and the requirements of the Modern Slavery Act 2018 (Cth) and guides our team members and trade partners to:

- source products in a sustainable and responsible way;
- respect human rights and fair working conditions; and
- reduce our environmental impact in the sourcing process.

The program is supported by our:

- [Responsible Sourcing Policy](#), which applies to our trade partners; and
- [Responsible Sourcing Code](#), which applies to trade partners supplying our private brand products, all factories directly contracted by the Group, and direct imports.

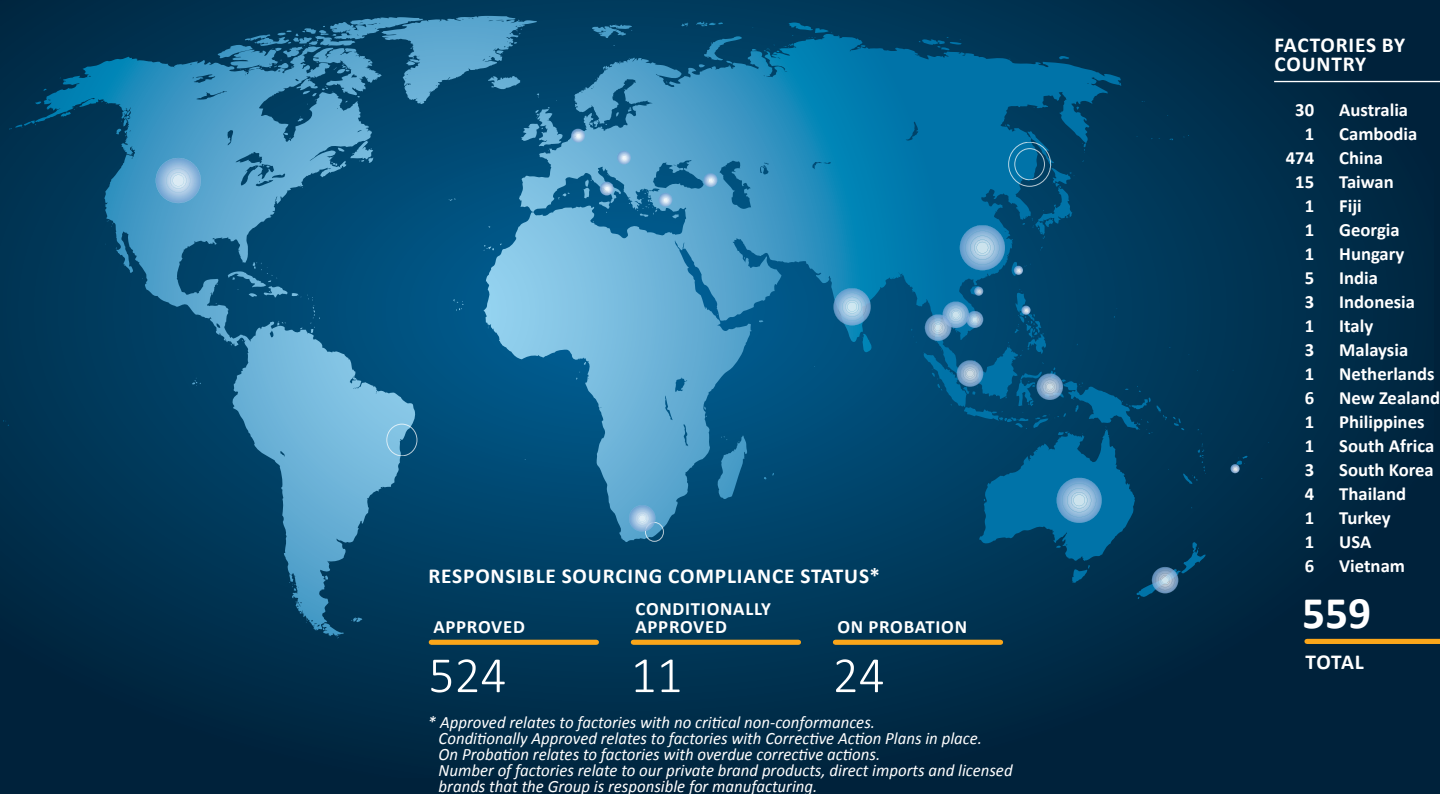
Our approach to verification of compliance with our responsible sourcing criteria is determined based on country risk and our accountability for the product supply chain. Our risk assessment is informed by [Transparency International's Corruption Perception Index](#). We also use various other

sources such as the [Global Slavery Index](#) and information published by Fair Work Australia to enhance our understanding of risks in our supply chain.

Manufacturing facilities that are in countries where human rights violations, weaker protections for workers, and inadequate governance and enforcement of the rule of law are more prevalent are considered high risk. In low-risk countries such as Australia and New Zealand, we also consider risks specifically related to the use of labour hire agencies and the treatment of migrant workers in the service sector.

Our private brand products and direct imports manufactured in high-risk countries are required to provide audit reports. To reduce duplication and audit fatigue, we accept audit reports and certification from a number of globally recognised and [independent compliance monitoring and certification schemes](#). We do not source our private brand products from the Xinjiang region of China due to the high risk of forced labour.

A [video](#) in English and Mandarin is available on our website explaining our program step-by-step for our trade partners. We have also partnered with Elevate to deliver e-learning modules on topics including workers' rights and safety to help improve capability in our supply chain.

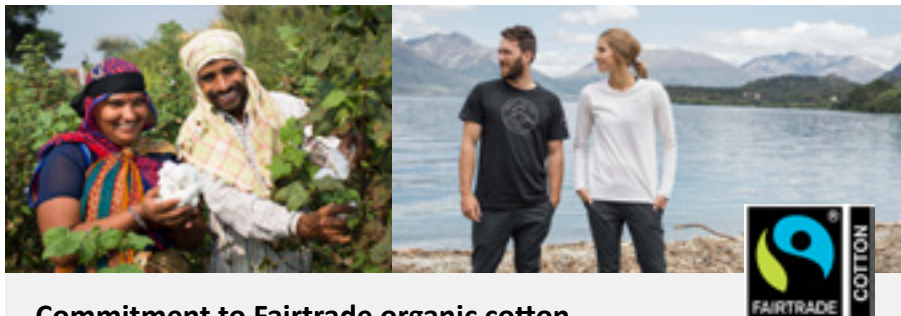


At the end of FY20, we had 559 active factories in 20 countries. Based on our risk rating, 516 factories were subject to verification audits. 98 per cent of these factories were audited in the past two years. During FY20 we had 105 new factories, all of which were screened for responsible sourcing. However nine of them did not satisfy our requirements and were not approved.

Two critical breaches of our requirements were identified in our active factories during FY20. These related to our Responsible Sourcing criteria about workers not being required to pay for employment and their ability to choose employment freely. In the first instance, a factory in China was using a labour broker that charged recruitment fees to migrant workers. We have ended our relationship with this factory.

In the second instance, a factory in China was found to have disciplinary policies in place requiring workers to provide a minimum of six-month notice and forced overtime, resulting in pay deduction if the worker did not comply. The factory was made aware of the seriousness of these practices and agreed to terminate these policies immediately.

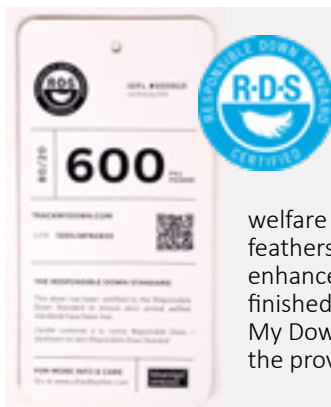
Key areas of improvement identified in audits related to health and safety, working hours and social insurance. We have agreed corrective action plans with factories to improve these issues.



Commitment to Fairtrade organic cotton

During FY20, Macpac purchased 31,000kg of Fairtrade cotton for its T-shirts and hoodies, which is 95 per cent of Macpac's cotton usage. The T-shirts are manufactured by a factory that has been awarded the '[Carbon Neutral Gold Standard](#)' by One Carbon World. In addition, the yarn spinning facilities are certified to Oeko-Tex Standard 100® for chemicals management.

From 2020, Macpac's Fairtrade organic cotton range will also be shipped with biodegradable polybags that have 30 per cent recycled content.



Ethically sourced down

Our Macpac down jackets are all made with ethically-sourced down and carry [Responsible Down Standard](#) (RDS) certification. The Responsible Down Standard safeguards the welfare of the geese and ducks that provide down and feathers for the products we all love. RDS certification enhances traceability in the supply chain from farm to finished garment. Each Macpac down jacket has a 'Track My Down' swing-tag which provides information regarding the provenance of the down in that specific jacket.



ACTING WITH
INTEGRITY

PRODUCT SAFETY

Super Retail Group is steadfast on product safety. To this end, we have processes in place for compliance with product safety requirements of the Australian and New Zealand consumer laws. Our product compliance requirements apply to all suppliers. Our product compliance program is continuously evolving, taking into consideration emerging regulations and voluntary industry standards.

For our private brand products, we have a well-established product testing regime which addresses all regulatory and a range of voluntary safety standards. Product testing is conducted either in-house or at third-party National Association of Testing Authorities (NATA)-accredited facilities. We expect the same from our third-party brand suppliers.

There were no breaches of mandatory standards regarding the health and safety impacts of our products and services during FY20.

RESPONSIBLE MARKETING

We strongly advocate truth in advertising in line with our core values of integrity and openness. A core principle of our marketing communication is to be accurate and transparent, from marketing materials to claims made about the products we offer for sale. We take all necessary steps to comply with the law and the expectations of our customers.

In FY20, we reviewed and strengthened our marketing and advertising guidelines, providing more guidance to our team on pricing rules for two-price promotions and clearances.

We did not receive any fines, penalties or warnings relating to marketing communications during FY20.

RESPECTING PRIVACY

We value the trust our customers and team members place in us when providing their personal information and we make every effort to meet our legal obligations in protecting their information against unauthorised access.

Our [Privacy Policy](#) outlines how we collect, store, maintain and use the personal information of our customers, visitors to our websites and stores, users and contributors to social media and other digital services, job applicants, and members of the public. Our Privacy Policy is supported by a comprehensive Privacy Framework, including internal cyber security policies, procedures, reviews and training.

Super Retail Group does not sell any customer information it collects. We have adopted appropriate processes to assess our service providers and hold them accountable in instances where we may share customer information with them to enhance the services and benefits provided to our customers.

The Group did not receive any substantiated complaints concerning breaches of customer privacy and losses of customer data in FY20.

In FY20, Super Retail Group experienced one notable cyber incident about a potential data breach resulting from malware. The Office of the Australian Information Commissioner (OAIC) was notified. We deployed advanced anti-malware solutions and the malware was contained. The OAIC notified Super Retail Group that it did not intend to take any further action.

Passionately supporting our team



PASSIONATELY
SUPPORTING
OUR TEAM



At Super Retail Group, we believe our source of advantage is our highly engaged and passionate team. Having healthy, happy, capable and passionate team members is critical to the successful delivery of our strategy and inspiring customer experiences.

With 12,987 team members, Super Retail Group provides employment opportunities and stimulates economic growth across Australia, New Zealand and China. During the COVID-19 crisis, our actions were anchored to three core principles: to keep our team and customers safe, to keep the business running and to keep people employed.

Engaged, fulfilled and healthy team

BUILDING A POSITIVE WORK ENVIRONMENT

Each year, we measure how engaged our team members are at work and the drivers that influence how they feel about Super Retail Group.

After each survey, people leaders receive access to their team's results and are responsible for creating action plans that address the feedback. In response to engagement feedback, group-wide actions are also undertaken with a recent example being SOULmoments, our digital team member recognition platform, and Workplace, our digital communication platform for retail management and support office leaders.

Each month, on average, our team provides 12,994 recognitions on SOULmoments that recognise each other's contribution for living our values and delivering excellent customer service. Workplace was launched in May 2020, with 96 per cent of the group activated and 92 per cent active every month.

During the reporting period, 4,203 team members joined Super Retail Group and our total retention levels increased by five per cent to 83 per cent. Super Retail Group is committed to maintaining high levels of team member engagement so our team members continue to have the passion and capability to keep inspiring our loyal customers.

70%

TEAM ENGAGEMENT

Top quartile – Australian and New Zealand organisations (measured Oct-Nov 2019)



PASSIONATELY
SUPPORTING
OUR TEAM

10.58

**FY20 TOTAL RECORDABLE
INJURY FREQUENCY RATE
(TRIFR)**

A 25 per cent improvement on
the previous year.

5.4

**LOST TIME INJURY
FREQUENCY RATE
(LTIFR)**

A 27 per cent improvement on
the previous year.

KEEPING OUR TEAM SAFE

Safety is our top priority and is supported by our Work Health and Safety Policy, Our Shared Safety Promise, Group Value of Care and 'safety is everyone's business' principle.

We maintain a health and safety management system aligned to ISO45001:2018 and in compliance with legal requirements in Australia and New Zealand. The system covers our team members, customers, suppliers, contractors and visitors to our sites in Australia and New Zealand. It includes activities undertaken in our operations and workplaces, excluding China, which is managed by our team in China, in accordance with local law.

Our risk management process for incident investigation, hazard identification and risk management is based on legislative requirements. Processes to complete these tasks are included in our intranet (Safety hub) and are available for team members and contractors to identify, assess, control and report any hazards observed.

Identified hazards are assessed using the Super Retail Group enterprise risk matrix. We endeavour to eliminate hazards. However, where hazards cannot be eliminated, control measures are identified, developed and prioritised. Risks are escalated to different levels of the organisation based on their rating. Corrective actions are determined in consultation with affected team members, implemented and assessed for their effectiveness.

To address risks and identify where existing controls can be strengthened, we conduct regular risk reviews of our operations taking into consideration reported hazards, near misses, incidents and safety investigation data to inform the development of brand/divisional safety action plans. The progress is monitored by senior management on a regular basis.

In FY20, the following actions have been taken, or are underway, to eliminate work-related hazards and minimise risks:

- **mental health** – 'I am Here' program provides team members with additional skills and ability to support team members who need help. In addition,

team members and their immediate family have 24/7 access to the confidential Employee Assist Program (EAP) for counselling services;

- **general health** – free flu vaccinations are offered on an annual basis to team members regardless of employment status or location. This is achieved through onsite clinics, pharmaceutical vouchers or reimbursement arrangements. Voluntary health promotion services and programs such as healthy eating options, fitness, health insurance, optical and dental services are offered to our team members and their families through the Team Member benefit program (Perks). Health services are also provided to team members through our Injury Management Framework;
- **dealing with customer abuse** – initiatives to improve how we identify and respond to instances of customer abuse and aggression through education and partnering with retail industry and relevant unions;
- **manual handling** – various initiatives to minimise manual handling risk, such as back of house reset, housekeeping, customised trolleys for bulky goods and Move4Life program in the supply chain; and
- **COVID-19 response** – invested in measures to help make our work environments a safer place to shop and work. These include enhanced cleaning products and practices, hand sanitiser stations, physical distancing floor decals and posters, health screens at front counters, face masks, temperature checking options, remote working, restricted travel, incident response procedures and wellbeing support programs.

Health and safety training is designed using both online and on-the-job competency assessments. Effectiveness of training is evaluated as part of incident investigations and trend analysis. Health and Safety topics are covered under



four main themes: Induction, Safe Moves, Safety at Work and Safe Culture.

Team members can report work-related hazards and potentially dangerous situations directly with their line managers or through the online reporting platform. Team members are protected against reprisals and can report matters to the Work Health and Safety regulators for independent review. Customers and contractors are also encouraged to report hazards. Available reporting channels include our online reporting platform (WORMS), a dedicated health and safety email and our [whistleblower](#) integrity line.

Additional data related to health and safety is available on our website, in our [FY20 Sustainability Data and Indices](#).

Fairness, equity and gender equality

ENABLING A DIVERSE AND INCLUSIVE TEAM

At Super Retail Group, our team is made up of people with diverse values, backgrounds, skills, experience and needs. We respect and value these differences. It is these different perspectives that reflect our customers in the communities in which we operate.

Our [Diversity and Inclusion Policy](#) outlines the processes and standards we expect to ensure that all team members are given equal access to reach their full potential. The Policy considers every step in the team member lifecycle, including attraction and recruitment, career development, performance management and retention. It supports practices that are objective and free from bias, so team members are treated fairly and with equal opportunity.

Should a team member have a concern about workplace conduct, Super Retail Group has a Workplace Resolution Policy that guides the process for grievance handling, ensuring it is accessible to all team members and deals with workplace complaints promptly, confidentially and fairly.

In FY20, Super Retail Group undertook several initiatives, including (but not limited to):

- providing competitive parental leave benefits to parents (including adoption, surrogacy, foster care and kinship care) regardless of gender;
- conducting an annual gender pay gap review and analysing all performance ratings by gender;
- ensuring diversity of team members selected for leadership/high potential programs; and
- analysing and reporting on various diversity metrics to the Board.

Super Retail Group is committed to achieving gender equality in our Board, executive and senior leadership teams within three to five years. Super Retail Group's 2020 Workplace Gender Equality Agency (WGEA) report is available via the [WGEA](#) website.

During FY20 the Group was pleased to be awarded the Workplace Gender Equality Agency's Employer of Choice for Gender Equality citation.

Additional data related to our workforce is available on our website, in our [FY20 Sustainability Data and Indices](#).

ENTERPRISE AGREEMENTS

Our enterprise agreements underpin a safe, fair and equitable working environment for all team members.

In 2018, Super Retail Group commenced a process to bargain for, and introduce, two enterprise agreements to replace the existing 2015 Enterprise Agreement (2015 EA).

Our Group Supply Chain Enterprise Agreement (2019 EA) was voted on in November 2019, with 68 per cent of participants voting in support. The agreement was approved by the Fair Work Commission (FWC) on 12 December 2019.

Our Retail/Clerical Enterprise Agreement (2018 EA) was approved by the FWC on 7 February 2020 after a protracted approval process. It was voted on in



Awarded the Workplace Gender Equality Agency's Employer of Choice for Gender Equality citation

Our workforce diversity statistics

AS AT FY20

38%

FEMALE REPRESENTATION
AT BOARD

27%

WOMEN IN EXECUTIVE
LEADERSHIP

39%

WOMEN
IN SENIOR
LEADERSHIP

35%

WOMEN IN
LEADERSHIP

48%

OVERALL FEMALE
WORKFORCE
PARTICIPATION

85% positive

SRG DIVERSITY
AND INCLUSION
SATISFACTION INDEX

(2019 engagement survey)

2.0%

INDIGENOUS AND
TORRES STRAIT
ISLANDER WORKFORCE
PARTICIPATION*

5.0%

LGBTIQ WORKFORCE
PARTICIPATION*

* self-identified in 2019 engagement survey.



November 2018 with 93 per cent of participants voting in support.

Super Retail Group employed 12,987 team members across Australia, New Zealand and China, as at the end of FY20. Of the 12,103 Australian team members, 1.83 per cent are covered by the 2019 EA and 75.14 per cent are covered by the 2018 EA. The remainder of Australian team members are engaged on individual employment agreements and may be covered by one of the following modern awards:

- General Retail Industry Award (GRIA);
- Clerks Private Sector Award (CPSA);
- Storage Services and Wholesale Award (SSWA); or
- Graphic Arts, Publishing and Printing Award (GAPPA).

As at FY20, our 794 New Zealand team members and 90 China team members are engaged on individual employment agreements, which are underpinned by national and local government legislation.

IMPROVING GOVERNANCE FOR EMPLOYMENT ARRANGEMENTS

After identifying an underpayment issue in prior years, Super Retail Group is focused on remediating team members and improving the effectiveness of our governance and proactive and detective controls for employment arrangements.

With the assistance of Deloitte, the Group continues to progress its remediation program by finalising individual investigations and making back payments where an underpayment has been identified. In FY20, 6,478 individual investigations have been completed with \$27 million, including interest and superannuation, paid to 2,490 former and current team members. This brings the total amount paid to \$31.5 million, including interest and superannuation, to 3,458 team members. We expect to conclude the remediation program, including all relevant back payments, in FY21.

To ensure ongoing compliance, we have an increased level of governance in place that includes quarterly wage reviews. These controls are supported by external legal,

accounting and auditing partners and we are confident they will prevent large scale underpayment issues in the future and swiftly detect the sort of anomalies that may occur from time-to-time in an organisation of our size. A new time and attendance system is being developed and full implementation is expected by the end of FY21.

INVESTING IN CONTINUOUS LEARNING AND DEVELOPMENT

We provide development opportunities to attract, grow and retain the talent needed to compete in today's marketplace. We also know the execution of our strategy and delivery of our customer promise relies on developing the expertise and knowledge of all our team members.

In FY20, we used a suite of learning tools - accessible to all team members and based on a continuous learning philosophy - to deliver more than 7,000 hours of learning. Participation is voluntary, with the learning being on-demand, bite-sized and accessible on mobile so team members can improve their skills and knowledge when, where and how it suits them.

Another key focus in FY20 was continuing our 'experts' learning program for Supercheap Auto, rebel and BCF retail team members with customer-facing roles. The training focuses on building our team members' technical skills and knowledge so they can create even better in-store experiences for our customers. In FY20, these team members spent more than 70,000 hours completing their 'experts' learning.

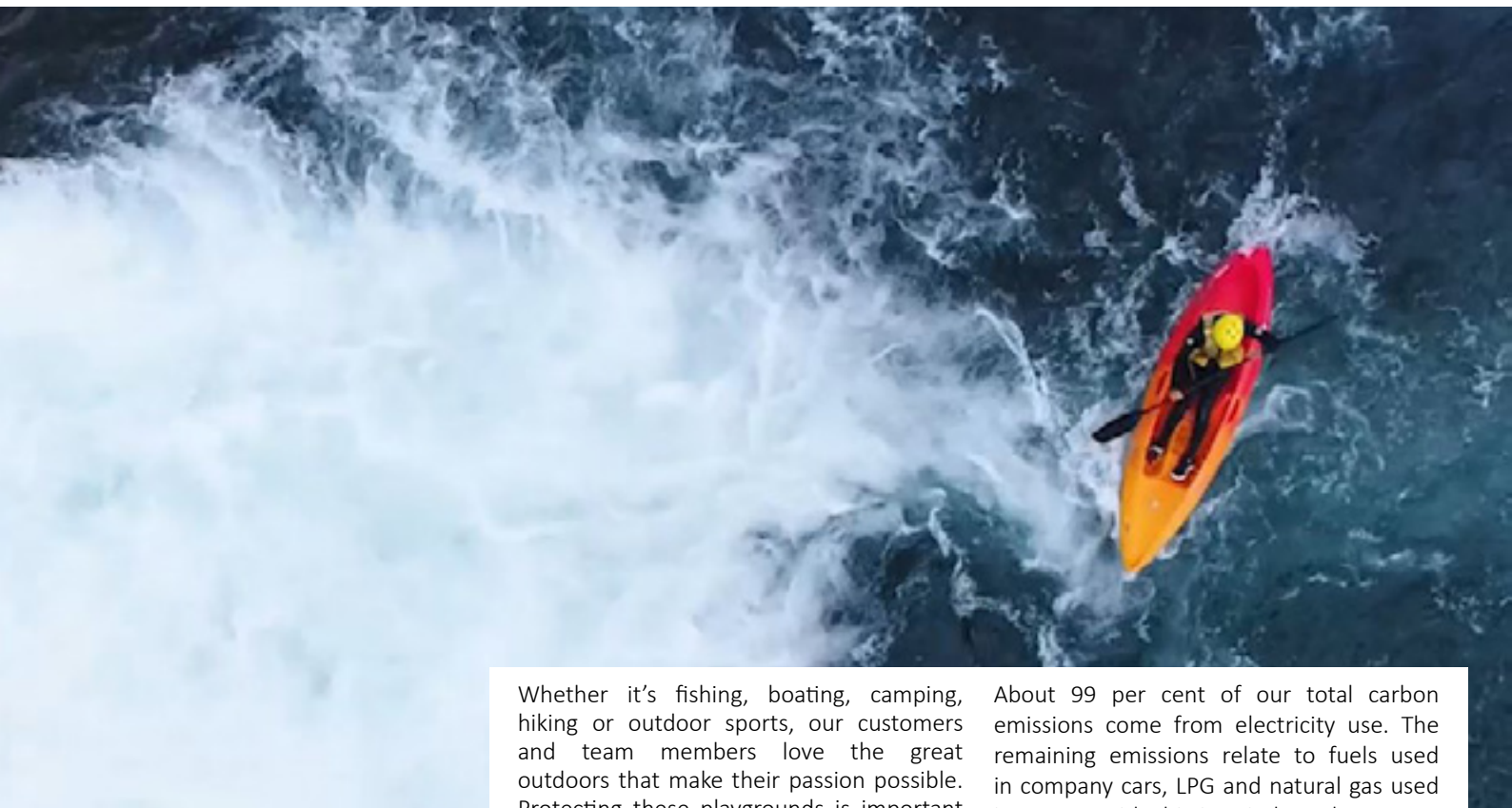
In the reporting period, we also continued with our accredited learning programs. Across Australia, there are more than 320 team members currently completing either their Certificate III in Retail Operations or Certificate IV in Retail Management. In FY20, 108 Australian team members and 30 New Zealand managers successfully completed their respective training programs and gained their qualification.



CARING FOR
OUR NATURAL
ENVIRONMENT

Caring for our natural environment

Doing our share in protecting the places we love to play in



Whether it's fishing, boating, camping, hiking or outdoor sports, our customers and team members love the great outdoors that make their passion possible. Protecting these playgrounds is important to our customers and team members so it's important to us too.

In our own operations we focus on reducing energy use and waste and increasing reuse and recycling. For our products, our focus is on packaging sustainability. To contribute to the protection of the natural environment, we focus on strategic partnerships with those who are at the forefront of nature conservation.

RESPONDING TO CLIMATE CHANGE

Climate change is affecting all industries. It's a challenge that requires collective effort and we are focused on doing our fair share to reduce our carbon emissions. This year, we experienced the impact of the Australian bushfires and sustained drought conditions in our outdoor brands' trading. More than 50 BCF stores were directly impacted by fire and/or drought during the FY20 summer. The bushfires and associated smoke haze coincided with BCF's peak holiday trading period. This led to a downturn in customer demand for outdoor products, particularly in the camping category. More information is available in our [2020 Interim Financial Report](#).

About 99 per cent of our total carbon emissions come from electricity use. The remaining emissions relate to fuels used in company cars, LPG and natural gas used in stores. With this in mind, we have set a target of reducing carbon emissions by 20 per cent by 2030 (from a 2017 base) through more efficient energy use in our operations.

Our energy efficiency program includes structural and behavioural initiatives. Energy efficiency upgrades are part of the scope of works for new stores and refurbishment activities. During FY20, we completed lighting upgrades in 62 stores, with an expected energy saving of approximately 2,225 MWh and an annual reduction of almost 1,750 tonnes of scope 2 carbon emissions.

We reduced our carbon emissions (scopes 1 & 2) by more than eight per cent compared to FY19 and our base year of FY17, as a result of energy efficiency initiatives and temporary store closures during the COVID-19 pandemic.

We disclose our approach to climate change to the CDP and report our Australian carbon emissions (NGER) to the Clean Energy Regulator annually. Reports are publicly available on [our website](#) (CDP) and the [Clean Energy Regulator website](#) (NGER).



CARING FOR
OUR NATURAL
ENVIRONMENT

TRAVEL TYPE

ROAD TRAVEL

-23.9% FY19-FY20
CHANGE

| | | | |
|---------------------|------|------|------|
| tCO ₂ -e | 94 | 92 | 70 |
| YEAR | FY18 | FY19 | FY20 |

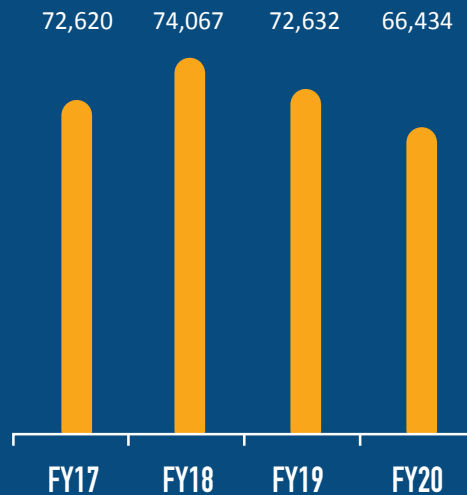
AIR TRAVEL*

-21.5% FY19-FY20
CHANGE

| | | | |
|---------------------|-------|-------|-------|
| tCO ₂ -e | 3,666 | 3,729 | 2,926 |
| YEAR | FY18 | FY19 | FY20 |

* Air travel refers to both domestic and international travel.

TOTAL SCOPE 1 & 2 (tCO₂-e)



ELECTRICITY USE

| FY17 | FY18 | FY19 | 2020 |
|---------------------------|---------------------------|---------------------------|---------------------------|
| 91,609 <small>MWh</small> | 97,487 <small>MWh</small> | 92,642 <small>MWh</small> | 86,167 <small>MWh</small> |

CARBON EMISSIONS

| SCOPE 1* | FY17 | FY18 | FY19 | FY20 |
|----------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| | 738 <small>tCO₂-e</small> | 961 <small>tCO₂-e</small> | 932 <small>tCO₂-e</small> | 900 <small>tCO₂-e</small> |

| SCOPE 2** | FY17 | FY18 | FY19 | FY20 |
|-----------|---|---|---|---|
| | 71,882 <small>tCO₂-e</small> | 73,106 <small>tCO₂-e</small> | 71,700 <small>tCO₂-e</small> | 65,534 <small>tCO₂-e</small> |

| TOTAL EMISSIONS (SCOPE 1 & 2) | FY17 | FY18 | FY19 | FY20 |
|----------------------------------|---|---|---|---|
| | 72,620 <small>tCO₂-e</small> | 74,067 <small>tCO₂-e</small> | 72,632 <small>tCO₂-e</small> | 66,434 <small>tCO₂-e</small> |

| CARBON EMISSIONS INTENSITY (total tCO ₂ -e/\$1 million revenue) | FY17 | FY18 | FY19 | FY20 |
|--|---------------------------------------|---------------------------------------|---------------------------------------|---------------------------------------|
| | 32.5 <small>tCO₂-e</small> | 30.5 <small>tCO₂-e</small> | 26.8 <small>tCO₂-e</small> | 23.5 <small>tCO₂-e</small> |

* Scope 1 emissions are direct emissions from owned or controlled sources e.g. emissions from the use of natural gas and LPG in our stores.

** Scope 2 emissions are indirect emissions from the generation of purchased energy.



CARING FOR
OUR NATURAL
ENVIRONMENT

Sustainable packaging and products



BCF partnered with National Geographic launching an exclusive range using recycled PET bottles.

OUR SUSTAINABLE PACKAGING TARGETS:

100%

REUSABLE OR RECYCLABLE
PACKAGING BY 2025

50%

RECYCLED CONTENT
ACROSS ALL PACKAGING
BY 2030

100%

CARDBOARD PACKAGING
FROM RECYCLED SOURCES
BY 2030



PACKAGING

Packaging protects our products but is often designed for limited or single use. We recognise the need to move towards a circular economy model, where packaging materials are recovered or reused, in order to create long-term value for our business, the environment and society.

We aim to achieve our packaging targets by working closely with our trade partners to promote packaging that is fit-for-purpose, resource efficient, made from recycled materials and designed to increase the potential for recycling.

We are a signatory to the Australian Packaging Covenant (APC), an agreement between government and businesses to share the responsibility for managing the environmental impacts of packaging in Australia. As a signatory, we report our progress against our targets annually and are scored based on our performance. This year we were rated as Leading, based on achieving a score of 71 per cent for our report. Our annual APC reports are available on our [website](#).

PRODUCTS

Adopting circular economy principles means more than just recycling and we

continue to look for opportunities to offer products made from recycled materials to our customers.

During FY20:

- Macpac's 'recycled range' was expanded, with updates to existing styles that incorporate more recycled content. Significant changes were made to the overall recycled content of pack fabrics, with more than 16,000 yards of pack linings now recycled;
- Macpac's Geothermal base layer range was reviewed and will now feature 100 per cent post-consumer waste recycled knit fabric, replacing the virgin-polyester original. This range represents more than 180,000 yards of fabric per year and will be in store for the 2020-21 summer season; and
- BCF partnered with National Geographic and launched an exclusive range of backpacks, duffle bags and cooler bags using recycled PET bottles. Sales have exceeded expectation and customer feedback has been positive. Our current plan is to further expand our collection using recycled materials during FY21 by adding four new styles to this range.



CARING FOR
OUR NATURAL
ENVIRONMENT

IN-STORE RECYCLING FOR CUSTOMERS

>24,000

PAIRS OF SPORTS SHOES RECYCLED –
PILOT PROGRAM

FY20 CAR BATTERIES RECYCLED (UNITS)

79,540

11.0% YOY ↑

| | |
|--------|--------|
| 71,047 | 71,677 |
| FY18 | FY19 |

FY20 OIL RECYCLED (LITRES)

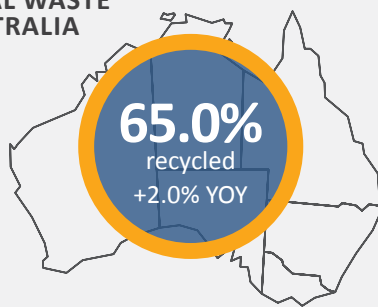
1,339,136

26.5% YOY ↑

| | |
|-----------|-----------|
| 1,024,000 | 1,058,208 |
| FY18 | FY19 |

WASTE & RECYCLING – Stores and distribution centres

TOTAL WASTE AUSTRALIA FY20



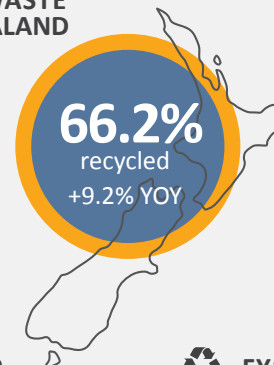
FY20

9,824 tonnes total waste
3,439 tonnes to landfill
6,384 tonnes recycled
-9.6% variance total waste

FY19

10,865 total waste
3,983 tonnes to landfill
63.0% total recycled

TOTAL WASTE NEW ZEALAND FY20



FY20

544 tonnes total waste
184 tonnes to landfill
360 tonnes recycled
- 19.2% variance total waste

FY19

673 tonnes total waste
289 tonnes to landfill
57.0% total recycled



127,000

LESS REGISTER ROLLS USED

\$180,000

ESTIMATED SAVING BY
INTRODUCING E-RECEIPTS
AND IMPROVING STORE
TICKETING

350,000

LESS PAPER SHOPPING BAGS

PROMOTING REDUCE-REUSE-RECYCLE

Reducing, reusing and recycling are some of the most effective ways we can save natural resources, protect the environment and reduce costs.

In addition to promoting waste reduction and recycling within our own operations, we have made a commitment to adopt the Australasian Recycling Label (ARL) for our private brand product packaging, with our first range of products with the ARL to be launched in FY21. Clear and consistent consumer-facing recycling information will make it easier for our customers to recycle effectively and reduce contamination in curbside recycling streams.

We offer our customers recycling services for oil and car batteries in our Supercheap Auto stores and recently introduced sports shoe recycling at selected rebel stores in Victoria, in partnership with the Australian Sporting Goods Association and recycler Save Our Soles.

PROTECTING WATERWAYS AND NATURE

Our brands continue to address environmental concerns through strategic partnerships and community programs aligned to their core brand, purpose and

the issues most important to their customers. BCF's partnership with OzFish and Macpac's partnerships with Outward Bound and Hillary Outdoors are examples.

RESTORING WATERWAYS – BCF PARTNERSHIP WITH OZFISH

BCF and OzFish have built a close and genuine partnership over the past four years to work collaboratively with landowners, government and local communities to rebuild, restore and regenerate fish habitat.

There are now 41 local OzFish Chapters across the country restoring their local waterways with over 800 volunteers who have contributed close to 50,000 hours of work to more than 50 separate projects.

This kind of restorative environmental program relies on securing continued funding. In FY20, BCF contributed \$280,000 to this vital work, while our customers contributed a further \$250,000 through donations in our stores.

Our vision is to unite our passionate customers together with OzFish to collectively shape and protect fish habitats and the future of the outdoors our customers enjoy in their leisure time.

GLOSSARY

| TERMS | DEFINITIONS |
|--|---|
| Carbon dioxide equivalent (CO ₂ e) | A universal standard measure used to compare the emissions from various greenhouse gases based on their global warming potential. For example, one tonne of methane emission is equivalent to 21 tonnes of carbon dioxide emissions. |
| Executive Leadership Team | The Group's Managing Director and CEO and his direct reports. |
| Human rights violations | Includes child labour and forced labour. For full details of criteria, refer to our Responsible Sourcing Code . |
| Lost Time Injury Frequency Rate (LTIFR) | LTIFR measures the number of Lost Time Injuries (LTIs), defined as injuries or illnesses resulting in an employee being unable to work for a full scheduled day (or shift) other than the day (or shift) on which the injury occurred where work was a significant contributing factor, per one million hours worked in a 12-month period. |
| Modern Slavery Act 2018 (Cth) | The Act established a national Modern Slavery Reporting Requirement for certain large businesses and other entities in the Australian market. |
| Private brand products | Product brands that Super Retail Group (or one of its subsidiaries) own the trade mark. |
| SAM Sustainability Yearbook | The SAM Sustainability Yearbook is a comprehensive publication on corporate sustainability, based on the results of the SAM's Corporate Sustainability Assessment (now issued by S&P Global), which enables companies to benchmark their performance on a wide range of industry- specific economic, environmental and social criteria that are relevant to sustainability focused investors. |
| Senior Management | The Group's senior management team including Bands 1-3. |
| SDGs | UN Sustainable Development Goals (SDGs) are a set of 17 goals stemming 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. |
| Total Recordable Injury Frequency Rate (TRIFR) | TRIFR is the sum of the number of Fatalities, Lost Time Injuries, Restricted Work Injuries, and Medical Treatment Injuries in a 12-month period divided by hours worked in a 12-month period multiplied by 1,000,000. |

Independent Limited Assurance Statement to the Management and Directors of Super Retail Group Limited

Our Conclusion:

Ernst & Young ('EY', 'we') was engaged by Super Retail Group Limited ('SRG') to undertake 'limited assurance' as defined by Australian Auditing Standards, hereafter referred to as a 'review', over SRG's Sustainability Report and supporting FY20 Sustainability Data and Indices for the year ended 30 June 2020, including 'selected sustainability performance indicators' using the 'criteria' outlined below. Based on our review, nothing came to our attention that caused us to believe that the Sustainability Report and supporting FY20 Sustainability Data and Indices have not been prepared and presented fairly, in all material respects, in accordance with the criteria defined below.

What our review covered

We undertook a review of SRG's Sustainability Report and supporting FY20 Sustainability Data and Indices for the year ended 30 June 2020 including its adherence to the GRI Standards (Core reporting option), and selected sustainability performance indicators within SRG's Sustainability Report and supporting FY20 Sustainability Data and Indices.

Review Subject Matter

The Subject Matter for our limited assurance engagement was SRG's Sustainability Report and supporting FY20 Sustainability Data and Indices for the year ended 30 June 2020.

Selected sustainability performance indicators covered in our review were limited to those aspects listed below as included in the Sustainability Report, for the year ended 30 June 2020:

- ▶ GRI 305-1: Direct (Scope 1) Greenhouse Gas (GHG) emissions
- ▶ GRI 305-2: Energy indirect (Scope 2) GHG Emissions
- ▶ GRI 305-5: Reduction of GHG emissions
- ▶ GRI 306-3: Waste generated
- ▶ GRI 401-1: New employee hires and employee turnover
- ▶ GRI 403-9: Work-related injuries
- ▶ GRI 403-10: Work-related ill health
- ▶ GRI 405-1: Diversity of governance bodies and employees
- ▶ GRI 408-1: Operations and suppliers at significant risk for incidents of child labour
- ▶ GRI 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour
- ▶ GRI 414-1: New suppliers that were screened using social criteria
- ▶ GRI 416-2: Incidents of non-compliance concerning the health and safety impacts of products and services
- ▶ GRI 418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data.

The Subject Matter did not include Management's forward-looking statements.

Criteria

In preparing the Sustainability Report, SRG applied the following criteria:

- ▶ Definitions as per the Global Reporting Initiative's (GRI) Sustainability Reporting Standards
- ▶ SRG's own publicly disclosed criteria
- ▶ National Greenhouse Accounts (NGA) Factors.

Key responsibilities

EY's responsibility and independence

Our responsibility is to express a conclusion on the selected sustainability performance data, based on our review.

We were also responsible for maintaining our independence and confirm that we have met the requirements of the *APES 110 Code of Ethics for Professional Accountants* and that we have the required competencies and experience to conduct this assurance engagement.

SRG's responsibility

SRG's management is responsible for selecting the Criteria, and for preparing and fairly presenting the SRG's Sustainability Report and supporting FY20 Sustainability Data and Indices in accordance with that Criteria. This responsibility includes establishing and

maintaining internal controls, adequate records and making estimates that are reasonable in the circumstances.

Our approach to conducting the review

We conducted this review in accordance with:

- ▶ Australian Auditing and Assurance Standards Board Australian Standard on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ASAE 3000')
- ▶ Australian Standard on Assurance Engagements on Greenhouse Gas Statements ('ASAE 3410')
- ▶ Terms of reference for this engagement as agreed with SRG.

Summary of review procedures performed

A review consists of making enquiries, primarily of persons responsible for preparing the selected sustainability performance data and related information, and applying analytical and other review procedures.

Our procedures included:

- ▶ Conducting interviews with SRG personnel to understand the business and reporting processes
- ▶ Conducting interviews with key personnel to understand the process for collecting, collating, and reporting the subject matter during the reporting period
- ▶ Checking that the data collection process and calculation criteria has been appropriately applied in accordance with the methodologies outlined in SRG's Criteria
- ▶ Undertaking analytical review procedures to support the reasonableness of the data
- ▶ Checking the accuracy of calculations performed, and identifying and testing assumptions supporting calculations
- ▶ Obtaining and reviewing evidence to support key assumptions in calculations and other data or statements
- ▶ Testing, on a sample basis, to underlying source information to check the accuracy of the data
- ▶ Checking whether data and statements had been correctly transcribed from corporate systems and/or supporting evidence into the Sustainability Report and supporting FY20 Sustainability Data and Indices
- ▶ Reviewing the preparation and presentation of the Sustainability Report and supporting FY20 Sustainability Data and Indices against the GRI Standards Core Option.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Further, our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

Use of our Assurance Statement

We disclaim any assumption of responsibility for any reliance on this assurance report to any persons other than management and the



Directors of SRG, or for any purpose other than that for which it was prepared.

In addition to the Sustainability Report, the extent of our review included the information in the supporting FY20 Sustainability Data and Indices as at 18 September 2020, which is published in SRG's website on the Reports & Publications section. We provide no assurance over changes to the content of this web-based information after the date of this assurance statement, nor over any information available through web-links that are beyond the boundary of SRG's Sustainability Report and supporting FY20 Sustainability Data and Indices.

A handwritten signature in dark ink, appearing to read 'Ernst & Young', is located below the main text block.

Ernst & Young

A handwritten signature in dark ink, appearing to read 'Terence Jeyaretnam', is located below the 'Ernst & Young' text.

Terence Jeyaretnam FIEAust EngExec
Partner

Melbourne, Australia
18 September 2020

Super Retail
Group



ABN: 81 108 676 204

www.superretailgroup.com.au