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ASX Market Announcements Office  
Australian Securities Exchange

**Baby Bunting Group Limited (ASX: BBN)**

## 2021 Sustainability Report

Baby Bunting Group Limited is pleased to release its first Sustainability Report.

The release of this announcement was authorised by the Board.

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# Sustainability report FY2021





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## About Baby Bunting

Baby Bunting Group Limited is an ASX listed holding company for the Baby Bunting Group. The operating entity is Baby Bunting Pty Ltd. The business was established in Melbourne as a family-owned business in 1979 and it was publicly listed on the ASX in 2015.

Baby Bunting is Australia's largest specialty retailer of maternity and baby goods, primarily catering to parents with children from newborn to three years of age and parents-to-be. Baby Bunting also provides a range of services, including car seat installation, and the hire of car seats and other maternity goods.

Baby Bunting operates 60 large format retail stores in Australia and its online store at [babybunting.com.au](http://babybunting.com.au) is the leading website for baby goods in Australia. In addition, Baby Bunting provides goods to parents in New Zealand through its New Zealand website, [babybunting.co.nz](http://babybunting.co.nz). The first New Zealand physical store is expected to open during FY2022.

## About this report

This is Baby Bunting's first Sustainability Report and serves as a review of our sustainability performance for the financial year ended 27 June 2021.

This report also sets out Baby Bunting's ESG strategy which has been endorsed by the Board.

This report has been prepared having regard to the Global Reporting Initiative's (GRI) Standards: Core option and the Sustainability Accounting Standards Board (SASB) standard for the Consumer Goods industry, Multiline and Specialty Retailers and Distributors sub-industry. Our disclosures cover the topics that may have an impact on our financial performance and are most material to our business and our stakeholders.

No assurance was sought for this year's Sustainability Report.

We recommend that this report be read in conjunction with the Baby Bunting Group Limited 2021 Annual Report.

For enquiries, please email:  
[enquiries@babybunting.com.au](mailto:enquiries@babybunting.com.au)

# CEO & Managing Director's message



At Baby Bunting, our purpose is to support new and expectant parents during the early years of parenthood and this is something we have been doing for over 40 years.

How we go about achieving our purpose is just as important as the purpose itself.

Baby Bunting is going through a transformation. We have adopted a modern and refreshed brand, we are continuing with our investment in transformational projects and systems and we have plans to expand further in Australia and into New Zealand. We have been making investments in digital to provide a consistent shopping experience across all channels and to reflect the ways that shopping is changing. We are focused on doing all of this sustainably. We recognise that our long-term success will be better achieved by committing to act in sustainable ways.

Recently, we have worked on identifying what we consider to be the material issues for Baby Bunting from an environmental, social and governance perspective. It is my pleasure to present our first Sustainability Report prepared in accordance with the Global Reporting Initiative (GRI): Core option and, where possible, Sustainability Accounting Standards Board (SASB), setting out those issues as well as our ESG strategy.





Our goal is to supply high quality products, services and advice in a manner that minimises impacts on the environment, while creating sustainable value for our stakeholders and the communities. We are focused on areas where we can have the most impact and as such, our ESG strategy is based around the following three pillars:

- **our People** – creating an equitable, inclusive and safe workplace where our team members can thrive. With a focus on being a parent friendly organisation.
- **our Communities** – contribute to support the communities in which we operate and to focus on the needs of parents and families.
- **our Planet** – operating in a sustainable manner to reduce the environmental impact of our actions.

These pillars – and their related specific goals and targets – are underpinned by ESG governance arrangements that seek to embed ESG considerations in the way we operate and the way we plan for the future.

There are a number of specific goals and targets that we have set ourselves, and you can read about those in this report.

Setting out our ESG strategy and embedding it in our everyday operations is the beginning of our journey. We recognise that we have work to do to build on our existing practices and achieve our goals. I look forward to reporting on our progress and further goals and initiatives in the coming years.

In addition to the specific goals identified in this report, we are working to make improvements in other areas. Some of these are described in this report, for example, initiatives relating to managing waste and reducing packaging. As we move along our ESG journey, we will have more to say about our goals and achievements in these areas.

I am extremely proud of how the Baby Bunting Team lives our purpose in supporting parents and parents-to-be. Our ESG strategy seeks to ensure that Baby Bunting operates sustainably into the future having regard to the interests of our various stakeholders so we can achieve our vision of being the most loved baby retailer for every family, everywhere.

**Matt Spencer**  
CEO & Managing Director  
Baby Bunting

# ESG governance

We have ESG governance arrangements that seek to embed ESG considerations in the way we operate and the way we plan for the future.

## ■ THE ROLE OF THE BOARD

This Sustainability Report has been approved by Baby Bunting's Board.

Progress against the ESG strategy will be reported by management to the Audit & Risk Committee, and ultimately the Board.

While all directors have a collective responsibility for ESG risk management and overseeing the Company's ESG activities, the Chair of the Audit & Risk Committee has a role as point of contact with management on the status of ESG matters.

For more information on the operation of our Board and Board Committees, and other governance arrangements, see the Corporate Governance Statement, including in the 2021 Annual Report, and the Audit and Risk Committee Charter.

## ■ ENSURING THE RIGHT BEHAVIOUR

At Baby Bunting, how we conduct ourselves is fundamental to our business.

Baby Bunting has a number of policies in place designed to ensure that team members act in accordance with Baby Bunting's legal obligations and in an ethical manner.

These policies include:

- Code of Conduct
- Business Conduct Compliance Policy
- Anti-Bribery and Corruption Policy
- Whistleblower Protection Policy

Copies of these policies are available at [babybunting.com.au/investor](https://babybunting.com.au/investor)



Material breaches of, or matters reported under, these policies must be promptly reported to the Board.

During the year, there were no material matters arising under these policies. There were 4 reports made by team members using our Whistleblower Hotline, which is operated by an external provider. All of these reports related to personal work-related grievances (ie interpersonal matters). Full details of these reports are provided to the Board to provide it with insight into the way management classifies these reports.

### WHISTLEBLOWER PROTECTION POLICY

- Team Members can report concerns to their manager or other officer
- A confidential Whistleblower Hotline service is also available (via phone, email, website) and team members can make anonymous and confidential reports
- The GM – People & Culture is the Whistleblower Protection Officer
- The Group Legal Counsel is the Whistleblower Investigations Officer

### MATERIAL MATTERS REPORTED TO THE BOARD (FY2021)

- Material breaches of policies were identified during the year: 0
- Protected whistleblower reports: 0
- Personal work-related grievances reported via the Whistleblower Hotline: 4

## ■ ESG AND REMUNERATION

Baby Bunting's short term incentive plan operates as part of the variable remuneration structure for certain roles at Baby Bunting. Safety and customer performance are key performance indicators (KPIs) that apply to all participants in the short term incentive plan. For senior executives, certain of their specific KPIs are selected having regard to the delivery of Baby Bunting's ESG framework.

In addition, eligibility to a short term incentive is dependent upon the team member achieving an acceptable rating for performance and values. In assessing performance and values, regard is had to business conduct matters and behaviours. Where standards and behaviours fall short of the Board's expectations, a person will not be eligible for any short term incentive payment even where other financial or non-financial goals have been achieved.



# Our approach to sustainability

Baby Bunting has embarked on a process to improve how we assess and report on our sustainability. We are committed to improving our sustainability performance and reporting transparently on our progress. This year, in our first standalone full-length report, we explain how we have identified and manage our key sustainability issues and some of the risks to our business and stakeholders.

## ■ OUR STAKEHOLDERS

Our key stakeholder groups, why they are important to us and how we engage with them, are as follows:

Stakeholder	Why they are important	How do we engage
<b>Customers</b>	We exist to support new and expectant parents and their expectations regarding issues related to sustainability – from product safety and use of packaging to data privacy – are extremely important to us.	We receive feedback from customers directly in our stores, via our Customer Care team, through comments on our website and on our social media pages.
<b>Team Members</b>	Our success depends on the people we employ and the talent we attract, develop and retain. We want to ensure a safe and inclusive environment and a culture aligned with our values of passion, consideration, honesty, positivity, focus and boldness.	We seek to understand what is important to our team members through team briefings, onboarding and exit surveys, and internal listening sessions.
<b>Shareholders</b>	Institutional and retail shareholders provide the capital necessary for our business. The links between sustainability and financial returns are fast becoming their key focus, particularly around sustainable supply chain, human capital management and product stewardship.	We engage with our investors regularly via investor calls and briefings, during Annual General Meetings and our investor website. We also gain insights into investors' concerns and topics of interest through ESG ratings.
<b>Communities</b>	Local communities are where our team members live and where our stores, Distribution Centre and Store Support Centre are located. We seek to have a positive impact where we can, by providing financial benefits, training, mentoring and employment opportunities.	By having an open channel of communication with our customers in the stores and communities in which we operate, we gain insights into what is most important to them and their families.
<b>Suppliers and manufacturers</b>	Our suppliers provide the products that we make available to our customers so preserving these critical relationships by engagement and communication is vital.	Our buying team have regular discussions with our suppliers about areas of common interest and exchange information about a wide range of issues.
<b>Regulators</b>	Regulators and governments set the rules under which companies like Baby Bunting operate.	As a transparent and open company, we engage periodically with tax authorities, regulatory authorities (primarily the ACCC and the state consumer law regulators), federal and state government departments, local authorities and other regulatory bodies on current issues.





■ MATERIALITY

During FY2021, we conducted a materiality assessment, which identified:

- the sustainability topics, issues, risks and opportunities identified by our senior executives as most critical to Baby Bunting;
- the topics that investors and the ESG rating agencies consider material to Baby Bunting;
- the issues identified by the SASB as most relevant to the Multiline and Specialty Retailers & Distributors industry sub-sector; and
- the GRI topic-specific issues considered most material to Baby Bunting by senior leaders and investors.

The process for defining the report’s content was based on the GRI Reporting Principles, which include stakeholder inclusiveness, sustainability context, materiality and completeness.

Topics identified as material for Baby Bunting are as follows:

Pillars:	Our People	Our Community	Our Planet
Topics	<ul style="list-style-type: none"><li>• Safety</li><li>• Employer of choice</li><li>• Diversity</li></ul>	<ul style="list-style-type: none"><li>• Supporting new and expectant parents</li><li>• Product safety</li><li>• Providing great services</li><li>• Respecting the privacy of our customers and partners</li><li>• Making a positive impact on the communities in which we operate</li></ul>	<ul style="list-style-type: none"><li>• Energy use</li><li>• Modern slavery</li><li>• Product stewardship</li><li>• Packaging and recycling</li></ul>

# Our ESG strategy

As part of our ESG strategy, we have conducted a materiality assessment and identified certain material topics which we believe are most relevant to Baby Bunting. For these topics, we have set ourselves specific targets. We believe these targets will help to deliver improvements in Baby Bunting's operations and performance and will contribute to building Baby Bunting's sustainable financial performance.





# PEOPLE

Goal	Target	2021 Achievement
<b>Safety: Our Lost Time Injury Frequency Rate to be below 7 by 2025</b>	For FY2021, we were targeting a rolling 12-month LTIFR of less than 10. We define a lost time injury to be any injury that results in a team member being unable to attend their next shift.	<ul style="list-style-type: none"> <li>We achieved this as LTIFR was 9.98. But we want to do even better.</li> </ul>
<b>Gender equality: At least 50% women across all levels of Baby Bunting by 2030</b>	Our gender diversity goals for FY2021 were: <ul style="list-style-type: none"> <li>that women and men be equally represented on the Board by 2025</li> <li>that at least one third of the Company's senior executives by women in the medium term</li> <li>that at least 50% of the Company's Area Managers and Regional Managers be women in the medium term</li> </ul>	<ul style="list-style-type: none"> <li>Women will comprise 50% of the Non-executive Directors, from October 2021.</li> <li>Women make up 25% of Senior Executives.</li> <li>Women make up 75% of all Store Manager positions,</li> <li>Women make up 50% of all Regional/Area Manager positions.</li> </ul>
<b>Training: Every team member to complete at least 15 hours of training each year</b>	At Baby Bunting, building the Best Team is a key pillar to our ongoing success. We are committed to providing training to all team members to ensure they have the skills and knowledge to succeed in their roles.	<ul style="list-style-type: none"> <li>We are introducing a new Learning &amp; Development system that will assist us to track learning across all team members.</li> </ul>
<b>Share ownership: At least 65% of our team members to be shareholders by 2025</b>	We want to share the success of our business with all team members. Our goal is to have a large majority of our team members be holders of Baby Bunting shares.	<ul style="list-style-type: none"> <li>Each year since our IPO in 2015, we have operated an employee share gift plan providing around \$1,000 worth of Baby Bunting shares to eligible employees. More than 50% of our team members are shareholders and we want that number to grow.</li> </ul>

Our goal is to supply high quality products, services and advice in a manner that minimises impact on the environment, while creating sustainable value for our stakeholders and the communities. We are focused on areas where we can have the most impact.





	Goal	Target	2021 Achievement
COMMUNITY	Helping parents who need support: To raise \$10 million in the period 2021 to 2030 to assist parents in need	Our big goal is to grow our efforts so that in the period 2021 to 2030 we have raised at least \$10 million to assist parents in need and their children.	<ul style="list-style-type: none"> <li>In FY2021, we raised \$260,000 to support Life's Little Treasures Foundation and PANDA, as well as provided in kind support that helped a number of parents in need and organisations that support them.</li> </ul>
	Energy: 100% renewable energy by 2031 for sites we control	For FY2022, we have committed to obtain around 25% of our electricity requirements for our stores and National Distribution Centre from renewable sources.	<ul style="list-style-type: none"> <li>During FY2021, the electricity for our stores, Distribution Centre and Store Support Centre were sourced from the grid. This electricity usage is estimated to equate to 6,332 tonnes CO2e.</li> </ul>
PLANET	Climate change action: Net zero scope 1 and 2 greenhouse gas emissions by 2050	Baby Bunting acknowledges the risks associated with climate change and wants to play its part in working towards appropriate climate action. We are at the start of our journey, but we have set ourselves a goal and will work very hard to achieve it.	<ul style="list-style-type: none"> <li>During 2021, we commenced a process for consolidating our energy provider information to enable an efficient data collection and monitoring. This will give us better visibility on the sources of our carbon emissions, highlighting areas where we can have the most significant impact and set short and medium term goals.</li> </ul>
	Product stewardship: Product stewardship schemes in place covering our hard goods category products by 2030	Product stewardship schemes seek to ensure the responsible treatment of products at the end of their life, by recycling and appropriate disposal. Baby hard goods – eg car seats, prams and cots – are designed to provide safety and protection to young children and are made with hard durable materials. Developing product stewardship schemes will ensure that the components of these products can be reused or recycled in a manner that ensures as small an impact as possible once the goods have reached the end of their useful life.	<ul style="list-style-type: none"> <li>We have been working, along with other retailers and manufacturers, on a product stewardship scheme for children's car seats, known as SeatCare. SeatCare will be an industry-led voluntary product stewardship scheme. Our hope is that the scheme is established and operating during FY2022.</li> </ul>

# Our People

Baby Bunting employs around 1,400 people across Australia in 60 stores and in our Distribution Centre and Store Support Centre. We are proud of the Baby Bunting team and their skill, knowledge, dedication and commitment to helping new and expectant parents during what is most likely the happiest time in their lives, but also a time of great change and challenge.

We want to build the best team in every possible way so they can continue to provide the assistance, advice and service that has helped us become Australia's leading maternity and baby goods retailer, while delivering value to our shareholders and other stakeholders.

We have made some significant investments in our people systems over the last few years and have plans to continue that.

We are investing in expanded learning and development systems, so that all team members wherever they are, can access training relevant for their role. This includes induction, compliance and ongoing skills and development training which can be found in one place.



**We want to build the best team in every possible way so they can continue to provide the assistance, advice and service that has helped us become Australia's leading maternity and baby goods retailer, while delivering value to our shareholders and other stakeholders.**







## ■ SAFETY

Our objective is for our teams to leave work in the same condition they arrived in; healthy and safe. All team members have a responsibility for contributing to their own safety and the safety of colleagues and customers. We encourage our Team to Think Safe, Act Safe and Be Safe.

Our team members work in three different kinds of environments: our stores, our Distribution Centre and at our Store Support Centre.

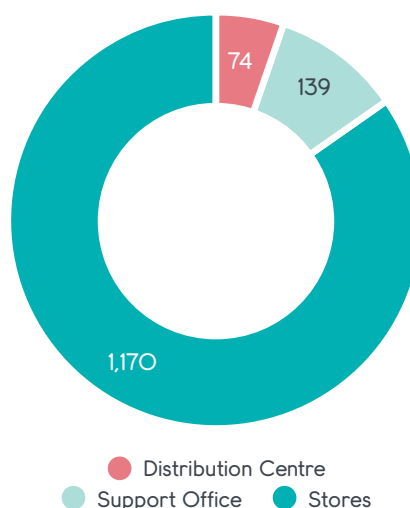
For Baby Bunting, workplace health and safety (WH&S) is not just a matter of compliance, but a fundamental requirement for how we do business and our culture.

Our Safety Management System is designed to ensure systems are in place to assess and mitigate workplace risks and ensure safe work practices in all our work environments.

As a retailer of a wide range of maternity and baby goods, our stores contain a large number of heavy, bulky or awkwardly shaped items such as strollers, car seats and capsules, cots, drawers and other furniture. In our Distribution Centre, we use reach trucks to store and retrieve heavy pallets bearing multiple items; large delivery trucks come and go all day long. Even our Store Support Centre contains potential hazards, from electrical extension leads to boiling water in the kitchens.

**For Baby Bunting, workplace health and safety (WH&S) is not just a matter of compliance, but a fundamental requirement for how we do business and our culture.**

Team members by location (FY2021)



Some of our measures to ensure the safety of our team include:

- Company-wide policies regarding the safe use of equipment and motorised vehicles and covering all aspects of day-to-day work involving safety. Baby Bunting requires the use of safety gear with mandatory training. Timely reporting of all injuries, no matter how small, is a key feature of our system.
- Detailed procedures for team members in our stores and the Distribution Centre regarding safe work practices around reach trucks, stacking and retrieving heavy or bulky items, picking up heavy packages safely and avoiding trips and falls.
- Mandatory induction and regular WH&S training for all team members, with no exceptions and minimum scores required for compliance. Those working in higher-risk areas, such as the Distribution Centre, must complete specialised modules specific to their area.
- A WH&S safety committee, responsible for regular inspections, monitoring high-risk areas, identifying problems, seeking improvements and reporting all injuries monthly to the Executive and the Board.
- Mandatory reporting of all incidents, including near-misses and all injuries, for all team members.

High Chairs & Safety

Babywear & Accessories

Rockers & Bouncers

ELC Toys & Puzzles

Baby & Toddler Feeding

Baby Changing & Health

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We track the Lost Time Injury Frequency Rate (LTIFR), and a key measure is the rolling 12-month LTIFR. We define a lost time injury (LTI) to be any injury that results in a team member being unable to attend their next shift.

During FY2021, there were 16 individual lost time injuries. A breakdown of the injuries and the days lost is shown in the box. At the end of the year, the 12-month rolling LTIFR was 9.98 – below our target for FY2021 of 10. We are pleased with this result, but not satisfied. Our target is to get that number as close to zero as possible.

Of these 16 LTIs, 12 occurred in stores, 3 were associated with car seat installers and 1 occurred in the Distribution Centre. These injuries primarily occurred due to manual handling issues.

We have a return to work specialist as part of our People & Culture team who supports team members who have been injured at work as well as providing modified duties plans to help them get back to work sooner.

A focus for FY2022 is to enhance our safety incident reporting processes, through the use of a new human capital management system plus further training on safe work practices for manual handling. For team members working more from home, our WH&S team has sought to ensure that they configure their work spaces so as to minimise the risk of injury.

## FY2021 LOST TIME INJURIES

- LTIs with one day missed:  
**8 team members**
- LTIs with two or three days missed:  
**5 team members**
- LTIs with four to seven days missed:  
**3 team members**
- LTIs with more than seven days missed:  
**0 team members**

**205**

Total equivalent days lost due to injury in FY2021\*

**0.097%**

Total equivalent days lost as a percentage of total days worked in FY2021

\* includes one long term injury that occurred in FY2020 and for which days were lost in FY2021.



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## ■ EMPLOYER OF CHOICE

As an organisation providing service and advice to new parents and parents-to-be, Baby Bunting has a culture that values caring, empathy, consideration and high quality service. In many ways, we still have many of the attributes of a family company, notwithstanding our rapid growth in recent years. We will strive to maintain the best of our culture as we continue to grow.

Our Team comes from all across Australia and from a broad range of backgrounds. Given what we do, it is not surprising that a number of our team members are parents themselves, although this is not a prerequisite and a lot of our team members in stores who are not parents are equally expert at what they do!

We aim for Baby Bunting to be an Employer of Choice. We offer above-award pay, training and a supportive working environment that allows people to be themselves, have fun and feel both challenged and satisfied at the end of each day.

We have a number of measures in place to make Baby Bunting more attractive to potential employees, including parents, as a place to work.

In addition, we want to make it as easy as possible for all team members who have had time away from their roles for parental leave to return to their roles (or a modified role that suits their new circumstances). Our target is to have at least 95% of team members return to work following their parental leave, taking into account that not all team members wish to return to work after starting a family.

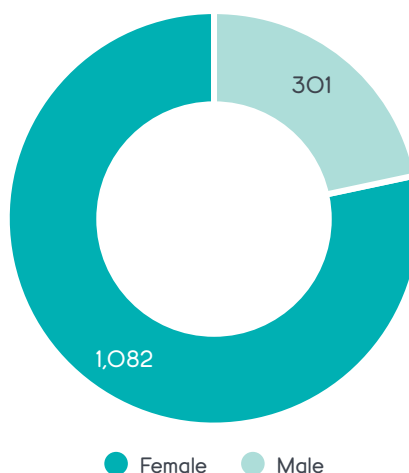
**We offer above-award pay, training and a supportive working environment that allows people to be themselves, have fun and feel both challenged and satisfied at the end of each day.**



To achieve this we:

- provide significant support for them to work flexibly;
- help them map a pathway back to full-time employment if that is what they want or assist them to decide on a part-time employment that works for them;
- make it clear, if they do decide to pursue their career elsewhere, that we are open to considering available opportunities if they wish to return to us in the future.

Team members (FY2021)



### Supporting our Team through COVID-19

During the ongoing COVID-19 pandemic, we have introduced a number of policies to help our team and to support them in the community.

**COVID-19 paid leave:** COVID-19 paid leave has been introduced to provide support to team members unable to work due to self-isolation requirements or the unanticipated closure of schools or childcare. The policy applies to full, part-time and casual team members and provides leave to cover the equivalent of two weeks of rostered work.

**COVID-19 vaccination leave:** We have introduced paid leave to enable team members to obtain COVID-19 vaccinations, where those team members work at least 25 hours a week and require time off from work to attend a scheduled vaccination appointment. The policy applies for the first and second vaccination appointments.

**Encouraging team members to be vaccinated:** As one example of encouraging our team members to consider vaccinations, we are holding a draw for all team members who have been fully vaccinated as recommended by the Government, and on the advice of a health practitioner. Vaccinated team members will go into a draw to share in \$10,000 worth of cash prizes.

We understand that team members receiving skills training feel more confident and are better equipped to perform their roles and to assist our customers (as well as other team members), which has a direct impact on our financial performance.

### Encouraging employee share ownership

Baby Bunting operates a General Employee Share (GES) Plan designed to provide team members with the ability to accumulate shares in Baby Bunting.

In FY2021, Baby Bunting offered \$1,000 worth of shares (which was 207 shares at the time), free to eligible team members. At the end of FY2021, more than 50% all team members were shareholders, the vast majority of whom acquired their shares through the GES Plan.



We recognise the importance of share ownership in building alignment and rewards for our team. Our goal is for at least 65% of our team members to own Baby Bunting shares by 2025.

For FY2022, the Board has again determined to offer \$1,000 worth of Baby Bunting shares to eligible team members to further provide benefits and build alignment across Baby Bunting. This should help us work towards the 65% share ownership goal as we extend the plan to the increased number of team members.

### Training

Training and development of our team are very important. We want to build the Best Team and investing in our team members' skills and knowledge is a key part of this.

Our goal is to have team members completing 15 hours of training each year as a minimum. New team members receive many more hours of training as they commence their journey at Baby Bunting.

We understand that team members receiving skills training feel more confident and are better equipped to perform their roles and to assist our customers (as well as other team members), which has a direct impact on our financial performance.

Over time, we want to ensure team members who want to build their skills have the opportunity to do so. This means they can stay on top of the requirements of their role or evolve into other roles, which might include leadership positions (either at store or in other parts of the business).

In FY2022, we will be making some significant investments into training. We have appointed a new Learning and Development Manager, and we have centralised our learning and development budget. We are deploying a new learning and development system and adding to our training modules, which are available to all team members via our existing internal communication platform.



### GENDER BALANCE (END FY2021)

- Proportion of all team members who are female: **78%**
- Proportion of Regional/Area Managers who are female: **50%**
- Proportion of Store Managers who are female: **75%**
- Proportion of senior executives who are women: **25%**
- Proportion of Board members who are women (of our Non-executive Directors): **40% (at 27 June 2021)**. This is expected to change to **50%** in early **October 2021**.

### GENERAL EMPLOYEE SHARE PLAN OFFERS

- 6 offers across each year since 2015
- 2,382 shares provided to team members who have participated in all 6 offers
- Value of those shares (including dividends paid) is \$13,640 (using share price at the end of the year)
- More than 50% of team members are shareholders

### DIVERSITY

We believe that diverse teams perform better. As a retailer with stores located in suburbs and town across Australia, it is important to us that our team members reflect the broader Australian community.

While our team members are predominantly parents themselves, our team is made up of a variety of people with many different backgrounds.

The majority of our team members are women, noting that the proportions vary across different parts of Baby Bunting (see box). We have a goal for women to make up at least 50% of our team across all levels by 2030.

During FY2021, we achieved one of our goals of having women as 50% of our Area Managers and Regional Managers.

We also had a target that women and men be equally represented on the Board by 2025. On 1 September 2021, Francine Ereira and Stephen Roche were appointed as new non-executive directors. With the upcoming retirement of Ian Cornell in October 2021, there will be six non-executive directors; three women and three men.

Our recruitment policy across Baby Bunting means we always seek to recruit the best people available, regardless of their ethnicity, age, gender, sexuality, religion or physical ability.

As we expand our network of stores around Australia, we want to provide greater opportunity for a broader range of people to obtain employment with Baby Bunting. At 60 stores today, we have plans for more than 100 stores around Australia. As part of that expansion, we want to identify opportunities for expanding Aboriginal or Torres Strait Islander employment in the coming years.

We also recognise that people from neurodiverse backgrounds have skills to offer Baby Bunting and we believe we can provide fulfilling employment for neurodiverse people. Accordingly, we will also be looking to develop recruitment pathways for team members.



# Our Community

We offer support to new parents and parents-to-be through our product expertise and advice and by providing a safe and caring environment for them in the early years.

Baby Bunting's vision is "To be the most loved baby retailer for every family, everywhere". The role we play in the communities we operate is very important.



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### ■ SUPPORTING NEW AND EXPECTANT PARENTS

We believe Baby Bunting has been successful because we have stayed true to our strategy. While evolving new channels in digital and online, we have maintained our strong people focus and friendly service in stores. Our culture has remained closely aligned with the original family feel where parents and their babies always come first.

We have around 1.1 million members of “Baby Bunting family”, our loyalty program, with approximately 600,000 active members (as at June 2021). We find that members tend to re-engage with Baby Bunting as their child reaches developmental milestones or when a subsequent child joins the family. Improving our loyalty program is a focus for the coming period to ensure we provide tailored and personalised offers and information for our members.

### ■ PRODUCT SAFETY

Day in, day out, we deal with children’s safety. Our customers put a huge amount of trust in us and we continually focus on meeting and exceeding their expectations when it comes to product safety.

We have stringent processes in place to ensure that all the products we sell conform with relevant Australian mandatory safety standards or, where there is no Australian mandatory or voluntary standard, comparable European or US safety standards.

At our new Store Support Centre in Dandenong South, we are establishing a product laboratory complete with a range of testing equipment. It will enable our Compliance team to rigorously assess our private label and other key products and make recommendations for design improvements.

We believe this is a significant investment for an Australian retail organisation and demonstrates our commitment to keeping our customers and their children safe.

### ■ PROVIDING GREAT SERVICE

As a business providing essential products and services to new parents and their babies, we are heavily dependent on our team members to provide outstanding service and support. We provide induction training for new team members and ongoing skills and product training so their capabilities and knowledge grow over time. We aim to provide a flexible, caring and supportive environment so they can get on with giving the wonderful service our customers need and value.

One way we track customer satisfaction is by measuring our Net Promoter Score (NPS). This measures the likelihood that someone will recommend us to a friend or family member. Our latest score for FY2021 was 87, which is a great result and a credit to our team.

Nevertheless, we are focused on improving that score in the period ahead.



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### ■ RESPECTING THE PRIVACY OF OUR CUSTOMERS AND PARTNERS

In FY2021, over 80% of our sales were to members of our loyalty program. We recognise the privileged position we are in when we are trusted by our customers.

We recognise that when we collect the personal information of our customers, we have an absolute obligation to respect it and to secure it from unauthorised access or disclosure.

We do not provide the personal information of our customers to third parties for their marketing purposes.

We have training in place to ensure our team understand that they must treat our customers' personal information appropriately; they must only use it for the purpose for which it has been given and protect it.

Data security risk is of critical importance to our business and customers, particularly as our online sales are a significant part of our overall sales.

During the year, we responded to an eligible data breach that occurred on our website (for a very short duration on a single day). In our response, we identified that 870 customers may have been affected. We promptly notified those customers and informed the Office of the Australian Information Commissioner.

We are committed to continually investing in our systems to ensure that cyber security is maintained and we work hard to protect against attacks seeking our information or the information of our customers.

In the period ahead, we are focused on improvements in our systems and processes to increase our NIST (National Institute of Standards and Technology) cybersecurity rating, which is an indication of a strengthened and therefore more secure infrastructure.

Finally, all complaints about possible breaches or misuse of data are forwarded to our Privacy Officer, who investigates and addresses them.





life's little treasures  
foundation

*Supporting Families of Premature & Sick Babies*

## ■ MAKING A POSITIVE IMPACT ON THE COMMUNITIES IN WHICH WE OPERATE

Baby Bunting wants to support parents right through their journey, so we seek to make a significant contribution to our local communities by supporting key initiatives and partnerships.

During the year, two significant partnerships were:

- **PANDA, Perinatal Anxiety & Depression Australia.** We are an active supporter of this organisation, which offers counselling for parents suffering perinatal anxiety and depression. In FY2021, we raised \$90,000 for PANDA and promoted its cause to our customers through our media channels.
- **Life's Little Treasures Foundation** supports the families of sick and premature babies. We have been supporters for six years now as the presenting partner for the foundation's major fundraising event, Walk for Prems. In FY2021, through the contributions of our customers, team and partners we were able to raise \$170,000 for Life's Little Treasures Foundation.

In addition, we also manage the EACH program, a Victorian government funded program under which babies at risk (in families either disadvantaged or new to Australia and still getting established) are provided with a car seat, bed and bedding.

Baby Bunting wants to support parents right through their journey, so we seek to make a significant contribution to our local communities by supporting key initiatives and partnerships.

# Our Planet

As Australia's largest specialty maternity and baby goods retailer, we have a part to play in ensuring our impact on the community and the environment is as positive as it can be.

We aim to reduce our environmental footprint, particularly our energy use, waste and packaging.

Our Planet related goals, and our other practices and initiatives, are designed to reduce our impacts.





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## ■ REDUCING THE ENERGY INTENSITY OF OUR OPERATIONS

For a large format retailer like Baby Bunting, one of our largest potential impacts is energy use and emissions.

We have taken steps over the last few years to reduce the energy intensity of our store operations by installing energy efficient lighting, introducing features designed to efficiently use heating and cooling systems and to conserve power usage.

Our new National Distribution Centre and Store Support Centre was commissioned in May 2021. These buildings have a 5-star energy rating along with solar panels that support electrical charging stations for our fleet of reach trucks and manual handling vehicles.

We are working towards sourcing all of our controllable electricity requirements from renewable sources by 2031. In the year ahead, we have committed to obtain around 25% of our electricity requirements for our stores and National Distribution Centre from renewable sources. This is just the start and we are committed to making further investments in sourcing renewable energy over the coming years.

In the longer term, we have set ourselves the goal of having net zero scope 1 and 2 greenhouse gas emissions by 2050. Baby Bunting wants to play its part in working towards appropriate climate action. We are at the start of our journey, but we have set ourselves a goal and will work hard to achieve it.

There are three types of carbon emissions:

- Scope 1, resulting from burning fuel, like coal and gas. We generate almost no Scope 1 emissions;
- Scope 2, emissions generated through the grid electricity we purchase; and
- Scope 3, upstream emissions from suppliers providing services and making and transporting our products, and downstream emissions caused by customers using and disposing of our products.

Our energy use and emissions for FY2021 were as follows:

### Energy consumption

Energy consumed across our business, all sources (grid electricity, gas and petrol in vehicles: 29,449 GJ.

Utilisation was: 94% from grid electricity, 5% from petrol and 1% from gas use (one store).

### Emissions

Our carbon emissions during FY2021 were as follows:

- Scope 1: 150 tonnes CO<sub>2</sub>e
- Scope 2: 6,332 tonnes CO<sub>2</sub>e
- Scope 3: No figures are available for Scope 3 at this time.

In preparing the above calculations, it is noted that:

- approximately 9% of the calculated Scope 1 emissions are based on an estimate of petrol consumption during the year for a small number of our vehicles; and
- approximately 6% of the calculated Scope 2 emissions are estimated for three stores and are based on electricity consumed in three similar sized stores in comparable locations; and
- we have made estimates in relation to refrigerant use in the air-conditioning systems of our stores.

The vast majority of our emissions come from grid electricity used in our stores and Distribution Centre, and our calculations of these emissions have been based on electricity consumed (except as noted above).

While these figures have been prepared having regard to actual usage data (where available), no assurance has been conducted in relation to these amounts.

In the coming period, we will be doing further assessments to further measure these emissions to build out the base level emissions for FY2021.

In the longer term, we have set ourselves the goal of having net zero scope 1 and 2 greenhouse gas emissions by 2050. Baby Bunting wants to play its part in working towards appropriate climate action.



## SUPPORTING AND EXPANDING PRODUCT STEWARDSHIP INITIATIVES

Everyone who imports, designs, produces and sells products, and everyone who uses and disposes of products, has a shared responsibility to reduce the environmental and human health and safety impacts of those products. Product stewardship involves the safe and environmentally sound management of products and materials over their lifetime, including at the end of their useful life.

Baby Bunting believes strongly that it has a major role to play in the circular economy, helping to reduce the environmental impact of its products and packaging, with a particular emphasis on 'reduce/reuse/recycle'. We are reviewing our products and packaging use right across our range.

### PRODUCT STEWARDSHIP FOR CAR SEATS

- For safety reasons, children's car seats and capsules have a limited life of around 10 years
- Often, car seats end up in landfill
- Around 80-90% of the components of a car seat can be diverted from hard waste





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### Product stewardship schemes

We have adopted a goal of having product stewardship schemes in place covering our hard goods category by 2030.

Hard goods include bulky items such as prams and strollers, car seats and capsules, cots and furniture as well as high chairs. For safety reasons, these products are usually produced using a combination of hard durable plastics and metals.

Baby Bunting is part of a group working towards the establishment of a product stewardship scheme, to be known as SeatCare, to facilitate the appropriate end-of-life treatment of car seats. This group consists of a number of brand owners and retailers and we are working to have the scheme established in the near future.

### Other waste and packaging initiatives

We are also committed to working through a range of other initiatives to minimise our impact on the planet, including:

- continuing to work to reduce the packaging used in the products we sell;
- finding more sustainable approaches to in-store packaging;
- working to reduce the packaging used for transporting our goods, including plastic pallet wrapping and related cardboard use; and
- being a signatory to the Australian Packaging Covenant Organisation.

### ■ MODERN SLAVERY

Baby Bunting is committed to working toward the elimination of risks of modern slavery in its supply chain and operations.

Pursuant to the Modern Slavery Act 2018, Baby Bunting published its first Modern Slavery Statement in 2020, describing the risks of modern slavery in our operations and supply chains, and actions taken to address those risks. Our 2021 Modern Slavery Statement is available on our website and should be read in conjunction with this report.

We import a proportion of our products from countries with a heightened risk of modern slavery and other types of coerced labour, as well as environmental risks. We are determined to ensure that our suppliers share our commitment to a high level of sustainability performance, so we recently introduced a new Ethical Sourcing Code which we expect all suppliers to adhere to. The Code sets out our expectations of supplier standards and behaviours, including respect for human rights and the environment.



With over 160 suppliers of goods for resale, we continue our evaluation of suppliers against the ethical sourcing procedures.

During FY2021, Baby Bunting has undertaken ethical sourcing assessments of many suppliers and tier 1 manufacturing sites. We have initiated ethical sourcing assessments of 106 tier 1 factories, who supply 83 providers of goods for resale to Baby Bunting.

Of those factories and suppliers, by year end we had completed assessments and approved 57 tier 1 factories, supplying 35 providers of goods for resale to Baby Bunting.

(When a factory or supplier is “approved”, Baby Bunting accepts goods from those factories / suppliers. Being approved is not a permanent rating. In order to maintain an approved status, a factory or supplier must be re-assessed by Baby Bunting’s ethical sourcing team on a periodic basis.)

In the periods ahead, we are focused on expanding the number of suppliers and tier 1 factories that have been assessed. In addition, we will focus in more detail on our private label products to ensure compliance with our ethical sourcing standards further up the supply chain.

# GRI/SASB content index (GRI 'Core' option)

Indicator code	Description	Boundaries	Location or link
<b>GRI UNIVERSAL DISCLOSURES</b>			
102-1	Name of the organisation	Inside the Company	Baby Bunting Group Limited
102-2	Activities, brands, products, and services	Inside the Company	<p>Baby Bunting is Australia's largest specialty retailer of maternity and baby goods, primarily catering to parents with children from newborn to three years of age and parents-to-be.</p> <p>The Company's principal product categories include prams, cots, and nursery furniture, car safety, toys, babywear, feeding, nappies, Manchester and associated accessories. Baby Bunting also provides services that are complementary to the products it sells, including car seat installation and car seat hire services.</p> <p><i>See the 2021 Annual Report (dated 13 August 2021) for more information.</i></p>
102-3	Location of headquarters	Inside the Company	Dandenong South, Victoria, Australia
102-4	Location of operations	Inside the Company	<p>Baby Bunting's National Distribution Centre and Store Support Centre is located in Dandenong South, Victoria, Australia.</p> <p>Baby Bunting stores are located around Australia.</p> <p>Baby Bunting also sells products to consumers in New Zealand via its website (currently, there are no physical stores in New Zealand).</p>
102-5	Ownership and legal form	Inside the Company	Public listed company, limited by shares, incorporated in Australia under the <i>Corporations Act 2001</i> (Cth).
102-6	Markets served	Outside the Company	Australia and New Zealand
102-7	Scale of the organisation	Inside the Company	Baby Bunting operates 60 stores throughout Australia, as well as an online store via its Australian website and its New Zealand website.



Indicator code	Description	Boundaries	Location or link
102-8	Information on employees and other workers	Inside the Company	At the end of the year, Baby Bunting employed 1,383 team members. Female: 1,082. Male: 301. Full time: 427. Part time: 446. Casual: 510. Stores: 1,170. Distribution Centre: 74. Store Support Centre: 139.
102-9	Supply chain	Outside the Company	<i>See Baby Bunting's 2021 Modern Slavery Statement (page 2).</i>
102-10	Significant changes to the organisation regarding size, structure, ownership and its supply chain	Inside and outside the Company	Nil
102-11	Precautionary principle or approach	Inside and outside the Company	We do not specifically refer to the precautionary principle or approach.
102-12	External developed economic, environmental and social charters	Outside the Company	Baby Bunting is not a member of any such charters.
102-13	Membership of associations (industry) and national or international advocacy - hold position on governance body; provide funding or views membership as strategic		Baby Bunting is a member of: <ul style="list-style-type: none"> <li>• The Australian Retail Association</li> <li>• Infant Nursery Product Alliance of Australia</li> </ul>
102-14	Statement from senior decision-maker	Inside the Company	<i>See CEO &amp; Managing Director's message on page 4 of this Sustainability Report.</i>
102-16	Values, principles, standards, and norms of behaviour	Inside the Company	<i>See pages 23 and 24 of the 2021 Annual Report.</i>
102-18	Governance structure	Inside the Company	<i>See the Corporate Governance Statement on pages 18 to 27 of the 2021 Annual Report.</i>
102-40	List of stakeholder groups	Inside the Company	<i>See Our approach to sustainability on page 8 of this Sustainability Report.</i>
102-41	Collective bargaining agreements	Inside the Company	Baby Bunting has enterprise agreements in relation to its retail employees and its distribution centre employees.
102-42	Identifying and selecting stakeholders	Inside and outside the Company	<i>See Our approach to sustainability on page 8 of this Sustainability Report.</i>
102-43	Approach to stakeholder engagement	Inside and outside the Company	<i>See Our approach to sustainability on page 8 of this Sustainability Report.</i>
102-44	Key topics and concerns raised	Inside and outside the Company	<i>See Our approach to sustainability on page 9 of this Sustainability Report.</i>

Indicator code	Description	Boundaries	Location or link
102-45	Entities included in the consolidated financial statements	Inside the Company	Baby Bunting Group Limited Baby Bunting Pty Ltd
102-46	Defining report content and topic Boundaries	Inside the Company	<i>See Our approach to sustainability on page 8 of this Sustainability Report and the topic boundaries in this table.</i>
102-47	List of material topics	Inside the Company	<i>See Our approach to sustainability on page 9 of this Sustainability Report.</i>
102-48	Restatements of information	Inside the Company	None
102-49	Changes in reporting	Inside the Company	None
102-50	Reporting period	Inside the Company	The financial year ended 27 June 2021. Baby Bunting has adopted a 52 week retail calendar for financial reporting purposes which ended on 27 June 2021.
102-51	Date of most recent report	Inside the Company	2021 Annual Report
102-52	Reporting cycle	Inside the Company	Annually
102-53	Contact point for questions regarding the report	Inside the Company	Corey Lewis Company Secretary enquiries@babybunting.com.au
102-54	Claims of reporting	Inside the Company	<i>See About this report on page 3 of this Sustainability Report.</i>
102-55	GRI content index	Inside the Company	This table
102-56	General assurance	Inside the Company	None

#### TOPIC-SPECIFIC DISCLOSURES

##### Management approach

103-1	Explanation of the material topic and its boundary	Inside the Company	See main text and this table
103-2	The management approach and its components	Inside the Company	See main text of this report
103-3	Evaluation of the management approach	Inside the Company	See main text of this report



Indicator code	Description	Boundaries	Location or link
<b>ECONOMIC</b>			
<b>Economic performance</b>			
201-1	Direct economic value generated and distributed	Inside and outside the Company	<i>See the Directors' Report and the Financial Statements for the year ended 27 June 2021 contained in the 2021 Annual Report.</i>
201-2	Financial implications and other risks and opportunities due to climate change	Inside and outside the Company	<i>See the Corporate Governance Statement in the 2021 Annual Report.</i>
<b>Market presence</b>			
202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	Inside the Company	The base rates of pay under Baby Bunting's enterprise agreements exceed the rates of pay provided for in the Modern Awards that would otherwise apply to team members.
<b>Anti-corruption</b>			
205-1	Operations assessed for risks related to corruption	Inside the Company	Baby Bunting has an Anti-Bribery and Corruption Policy. <i>See page 24 of the 2021 Annual Report.</i>
205-2	Communication and training about anti-corruption	Inside the Company	Anti-Bribery and Corruption training is provided to all team members where it is relevant to their role.
205-3	Confirmed incidents of corruption and actions taken	Inside the Company	There were no confirmed incidents of corruption during the reporting period.
<b>Anti-competitive behaviour</b>			
206-1	Anti-competitive behaviour	Inside and outside the Company	There were no legal actions ongoing or sanctions applied to Baby Bunting for anti-competitive behaviour.
<b>Tax</b>			
207-1	Approach to tax	Inside the Company	The Company complies with its tax obligations in each jurisdiction in which it operates (primarily, Australia).
207-2	Tax governance, control and risk management	Inside the Company	The Company has a Tax Risk Management Framework setting out the Company's approach to tax governance, control and risk management.

Indicator code	Description	Boundaries	Location or link
<b>ENVIRONMENT</b>			
<b>Energy</b>			
302-1	Energy consumption within the organisation	Inside the Company	<i>See Reducing the energy intensity of our operations on page 30 of this Sustainability Report.</i>
302-4	Reduction of energy consumption	Inside the Company	As this is our first Sustainability Report, we expect to report on any reductions in energy consumption in the Sustainability Report for FY2022.
<b>Emissions</b>			
305-1	Direct (Scope 1) GHG emissions	Inside the Company	<i>See Reducing the energy intensity of our operation on page 30 of this Sustainability Report</i>
305-2	Energy indirect (Scope 2) GHG emissions	Inside the Company	<i>See Reducing the energy intensity of our operation on page 30 of this Sustainability Report.</i>
<b>Environmental compliance</b>			
307-1	Non-compliance with environmental laws and regulations	Inside the Company	There were no instances of material non-compliance with environmental laws or regulations during the period.
<b>Supplier environmental assessment</b>			
308-1	New suppliers that were screened using environmental criteria	Outside the Company	New suppliers are assessed having regard to our Ethical Sourcing Procedures, of which environmental considerations are one element. Audits of tier 1 factories will have regard to environmental practices at the site. However, this does not necessarily capture or assess all environmental matters that may exist.
308-2	Negative environmental impacts in the supply chain and actions taken	Outside the Company	We are taking further steps to understand the negative environmental impacts in our supply chain and the actions available.



Indicator  
code

Description

Boundaries

Location or link

## SOCIAL

401-1	New employee hires and employee turnover	Inside the Company	During FY2021: <ul style="list-style-type: none"> <li>541 new team members commenced employment with Baby Bunting</li> <li>421 team members ceased employment with Baby Bunting.</li> </ul>
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401-3	Parental leave	Inside the Company	During FY2021, 35 team members commenced parental leave.
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## Occupational health and safety

403-1	Occupational health and safety management system	Inside the Company	Baby Bunting has a Safety Management System.
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403-2	Types of injury and rates of injury, occupational diseases	Inside the Company	<i>See Safety on page 17 of this Sustainability Report.</i>
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403-3	Occupational health services	Inside the Company	<i>See Safety on page 16 of this Sustainability Report.</i>
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403-4	Worker participation, consultation, and communication on occupational health and safety	Inside the Company	There are team members who have been appointed as health and safety representatives within specific areas of operations.
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403-5	Worker training on occupational health and safety	Inside the Company	<i>See Safety on page 16 of this Sustainability Report.</i>
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403-6	Promotion of worker health	Inside the Company	<i>See Safety on page 16 of this Sustainability Report.</i>
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403-8	Workers covered by an occupational health and safety management system	Inside the Company	All employees are covered by an occupational health and safety management system.
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403-9	Work-related injuries	Inside the Company	<i>See Safety on page 17 of this Sustainability Report.</i>
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## Training and education

404-1	Average hours of training per year per employee	Inside the Company	With the introduction of our new Learning & Development system in FY2022, we will be tracking this metric in more detail in the future.
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404-2	Programs for upgrading employee skills and employee transition programs	Inside the Company	Team members receive training relevant to their role (eg sales and related training for instore team members) and Baby Bunting provides some leadership training for store team management. The Learning & Development program is to be expanding in coming periods.
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Indicator code	Description	Boundaries	Location or link
404-3	Percentage of employees receiving regular performance and career development reviews	Inside the Company	All team members receive some form of annual performance assessment.
<b>Diversity and equal opportunity</b>			
405-1	Diversity of governance bodies and employees	Inside the Company	<i>See Diversity on page 21 of this Sustainability Report.</i>
<b>Non-discrimination</b>			
406-1	Incidents of discrimination and corrective actions taken	Inside the Company	During FY2021, two complaints from customers were lodged with the Victorian Human Rights and Equal Opportunity Commission that our policy of requiring customers to wear masks as a condition of entry into stores was discriminatory. During the COVID-19 pandemic, this policy was adopted in certain of our stores having regard to the state public health directions that applied at the time. The complaints were resolved during negotiations.
<b>Freedom of association and collective bargaining</b>			
407-1	Freedom of association and collective bargaining	Inside the Company	In Australia, employees are entitled to join unions and to undertake collective bargaining as permitted under the Fair Work Act.
<b>Child labour</b>			
408-1	Operations and suppliers at significant risk for child labour	Inside and outside the Company	<i>See Baby Bunting's 2021 Modern Slavery Statement.</i>
<b>Forced or compulsory labour</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Inside and outside the Company	<i>See Baby Bunting's 2021 Modern Slavery Statement.</i>
<b>Human rights assessment</b>			
412-1	Operations that have been subject to human rights reviews or impact assessments	Inside the Company	No Baby Bunting operations have been subject to external assessments for human rights.



Indicator code	Description	Boundaries	Location or link
412-2	Employee training on human rights policies or procedures	Inside the Company	Baby Bunting has training on modern slavery matters.
412-3	Significant investment agreements and contracts that include human rights clauses or underwent human rights screening	Inside the Company	There are no significant investment agreements or contracts that include human rights clauses.
<b>Customer health and safety</b>			
416-1	Assessment of the health and safety impacts of product and service categories	Inside and outside the Company	<i>See Product Safety on page 24 of this Sustainability Report.</i>
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Inside and outside the Company	<p>From time to time, recalls of products sold at Baby Bunting can be conducted (by either Baby Bunting or the relevant supplier of the product) where it appears that the product fails to comply with applicable product safety standards or otherwise poses a risk of harm to health of children or others.</p> <p>During FY2021, three product recalls were undertaken of products sold at Baby Bunting (a toy, a highchair and an item of apparel). These were not private label goods.</p>
<b>Marketing and labelling</b>			
417-1	Requirements for product and service information and labelling	Outside the Company	<i>See Product Safety on page 24 of this Sustainability Report.</i>
<b>Customer privacy</b>			
418-1	Privacy	Inside and outside the Company	<i>See Respecting the Privacy of our customers and partners page 26 of this Sustainability Report.</i>
<b>Socio-economic compliance</b>			
419-1	Non-compliance with laws and regulations in the social and economic area	Inside and outside the Company	During FY2021, we did not identify any instances of non-compliance with laws and regulations in the social and economic area.

Indicator code	Description	Boundaries	Location or link
<b>SASB – Consumer Goods industry – Multiline and Speciality Retailers and Distributors sub-industry</b>			
<b>ACCOUNTING METRICS</b>			
<b>Environment</b>			
CG-MR-130a.1	Energy management in retail and distribution	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	For FY2021: <ul style="list-style-type: none"> <li>• 7,695,232 kWh of electricity consumed (estimate)</li> <li>• 100% of this electricity was grid electricity</li> <li>• 0% of this electricity was renewable.</li> </ul> Refer to page 30 for details of the basis upon which energy consumption has been calculated
<b>Social capital</b>			
CG-MR-230a.1	Data security	Description of approach to identifying and addressing data security risks	See <i>Respecting the Privacy of our customers and partners</i> page 26 of this Sustainability Report.
CG-MR-230a.2		(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	See <i>Respecting the Privacy of our customers and partners</i> page 26 of this Sustainability Report.
<b>Human capital</b>			
CG-MR-310a.1	Labour practices	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	The base rates of pay provided to retail and distribution centre team members is higher than the base rates of pay provided in the relevant industry modern award.
CG-MR-310a.2		(1) Voluntary and (2) involuntary turnover rate for in-store employees	During FY2021: <ul style="list-style-type: none"> <li>• 381 store team members voluntarily ceased employment; and</li> <li>• 5 store team members involuntarily ceased employment.</li> </ul>
CG-MR-310a.3	Labour practices	Total amount of monetary losses as a result of legal proceedings associated with labor law violations	Nil



Indicator code	Description	Boundaries	Location or link
CG-MR-330a.1	Employee engagement, diversity and inclusion	Percentage of gender and racial/ethnic group representation for (1) management and (2) all other employees	At the end of FY2021: <ul style="list-style-type: none"> <li>• 78% of all team members were female</li> <li>• 50% of all Area Managers/Regional Managers were female</li> <li>• 75% of all Store Managers were female</li> <li>• 25% senior executives were female.</li> </ul> We do not currently gather information of on racial/ethnic group representation.
CG-MR-330a.2		Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	Nil.
CG-MR-130a.1	Product sourcing, packaging and marketing	Revenue from products third-party certified to environmental and/or social sustainability standards	Not currently measured.
CG-MR-130a.1		Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	Baby Bunting has processes to ensure that goods purchased for re-sale comply with the applicable Australian mandatory standards in respect of chemicals in products. These processes rely on obtaining independent test reports from accredited third party testing and assurance organisations.
CG-MR-130a.1		Discussion of strategies to reduce the environmental impact of packaging	<i>See Other waste and packaging initiatives on page 33 of this Sustainability Report.</i>
<b>ACTIVITY METRICS</b>			
CG-MR-000.A		Number of: (1) retail locations and (2) distribution centers	At the end of FY2021: <ul style="list-style-type: none"> <li>• Baby Bunting had 60 retail stores around Australia (refer to page 11 of the 2021 Annual Report)</li> <li>• one Distribution Centre located at Dandenong South, Victoria.</li> </ul>
CG-MR-000.B		Total area of: (1) retail space and (2) distribution centers	<ul style="list-style-type: none"> <li>• Total area of retail space is approximately 96,000 sqm</li> <li>• Total area of the Distribution Centre is approximately 22,000 sqm.</li> </ul>

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