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CASE STUDY · MARLUC SYNOPSIS

Bunnings facial recognition

IMPLEMENTED 2018–2021 · RETAIL AND HOSPITALITY · AUSTRALIA · BAND F · PROVED

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Bunnings ran facial recognition at store entrances from 2018 to 2021 to spot people barred for violence or theft. The Privacy Commissioner found it breached privacy law; in February 2026 a tribunal overturned the consent finding but upheld breaches of notice and privacy governance duties.

ABOUT THIS SYNOPSIS

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NOTICE WORDING LAST UPDATED 16 NOVEMBER 2026

AT A GLANCE

What went wrong: Unlawful or non-compliant use; Weak oversight or controls.

AI used: Facial recognition matching store entrants against a database of barred people.

Implemented: 2018–2021. Grade: band F, Failure, Proved.

Headline result, as reported: Tribunal upheld findings that Bunnings breached Australian Privacy Principles 1 and 5 with its facial recognition system, while setting aside the consent finding, February 2026

1 · The case

The facts, as reported by the 5 sources listed at the end. Where a source is silent, the field says "Not reported".

Organisation

Bunnings Group Limited. Australian home improvement and hardware retailer. The case concerns its use of facial recognition in stores in Victoria and New South Wales. Canvas block: 8. Governance and risk. Also 4. Operations and process, 3. Customers and proposition.

Business challenge

The challenge. Bunnings said it trialled the technology to protect people from violence, abuse, serious criminal conduct and organised retail crime. It told the tribunal that at least 66 per cent of theft loss across its stores each financial year was committed by 10 per cent of offenders, per InDaily.

Who implemented it

Hitachi (Software vendor): Supplied the facial recognition technology, per iTnews.

Technology (SEAM pillar E)

SEAM types: T8 Predictive / ML models. Deployment: Not reported. Vendors and products: Hitachi.

Where it was built in: CCTV at store entrances fed faces to a matching system; vector sets were held briefly in memory on store computers and matches alerted staff.

What changed

Before: store staff relied on existing security measures. During 2018 to 2021: every entrant's face was scanned and checked against a list of barred people, and matches alerted staff. After: the system was no longer in use, per iTnews. The tribunal accepted that Bunnings could use the technology for a limited purpose, and Bunnings accepted it had not got signage, customer information, processes and its privacy policy right. [1] [2] [3] [4] [5]

Cost of failure

No financial penalty reported. The tribunal affirmed findings that Bunnings breached APP 1 and APP 5 and directed it to take reasonable steps to notify people that personal information is being collected, per iTnews. Legal costs of the review: Not reported.

What it saved

Not reported [1] [2] [3] [4] [5]

Governance and control

The tribunal found Bunnings failed to implement practices, procedures and systems to comply with the privacy principles, and that a formal, structured and documented privacy risk assessment would have been reasonable from the start; the steps Bunnings took were described as "random enquiries and actions", per Clayton Utz. It found the entry notices and privacy policy did not give enough specific information. False positives occurred and were manually reviewed and discarded by staff, per InDaily.

S2 · Accountable owner · Not reported
Not reported.

A1 · Safe use · Missing (independent source shows it was absent)
The tribunal found Bunnings breached APP 1.2 by not implementing practices, procedures and systems to comply with the privacy principles. [1]

A2 · Human in the loop · Evidenced
Matches went to staff, and false positives were manually reviewed and discarded, as the tribunal found, per InDaily. [3]

A3 · Monitoring and assurance · Missing (independent source shows it was absent)
The tribunal said a formal, structured and documented privacy risk assessment would have been reasonable from the outset; Bunnings' steps were described as random enquiries and actions. [1]

A4 · Vendor AI · Not reported
Hitachi supplied the technology, per iTnews; vendor assurance is not reported. [2]

A5 · Agent controls · Not reported
No agents described.

A6 · Standards and regulation · Outside scrutiny (a regulator, court, auditor or similar body acted)
The Privacy Commissioner found breaches of APPs 1, 3 and 5; the Administrative Review Tribunal affirmed the APP 1 and APP 5 breaches and set aside the APP 3 finding. [1] [4]

What worked, what did not, what is unproven

WORKED

– The tribunal accepted the use as a reasonable and proportionate response to retail crime and to protecting staff and customers, per Clayton Utz.

– Unmatched facial data was deleted within milliseconds, per Clayton Utz.

DID NOT

– Notice: the tribunal upheld the finding that Bunnings did not take reasonable steps to tell people their sensitive information was collected (APP 5.1 and APP 1.3).

– Privacy governance: no formal, structured and documented privacy risk assessment from the outset (APP 1.2).

– The system sometimes generated false positives, which staff reviewed and discarded, per InDaily.

UNPROVEN

– How much theft or violence the system prevented: Not reported.

– Whether Bunnings has resumed or will resume facial recognition: Not reported.

– Whether the Privacy Commissioner appealed the tribunal decision: not confirmed in the sources opened.

Timeline

Nov 2018 Bunnings starts using facial recognition at store entrances [1]

Nov 2021 Use of facial recognition ends [1]

Oct 2024 Privacy Commissioner determines Bunnings breached APPs 1.2, 1.3, 3.3 and 5.1 [1]

Feb 2026 Administrative Review Tribunal affirms APP 1 and APP 5 breaches and sets aside the APP 3 consent finding [1]

2 · Grade and SEAM assessment

MarLuc's opinion, made on the evidence above. How cases are graded: marluc.co.uk/case-studies/how-we-rate

Level of change and impact

Claimed: Not applicable. Grade: F, Failure. Proof: Proved. Level of change: Not graded.

No level assessed: band F, a proved breach of privacy duties in a deployment that stopped during the regulator's investigation. The tribunal narrowed the regulator's findings.

The SEAM view and lessons learnt

The legal question turned on whether the purpose justified collecting sensitive data without consent, and here Bunnings largely succeeded. What failed was governance: no documented privacy risk assessment, and entry notices and a privacy policy that did not give enough specific information for a system that scanned every customer. For a mid-sized or larger organisation, the transferable point is that a defensible purpose does not cover weak documentation; the assessment and the notice need to exist before the cameras switch on.

1. Complete a documented privacy risk assessment before deploying biometric AI.
2. Tell customers plainly what is collected, how and why, at the point of collection.
3. Treat even millisecond processing of a face as a collection of personal information.

Evidence

Score 3 of 4. Independent: a regulator determination and a tribunal decision, read here through law firm analyses and reputable press; the decision itself was not opened.

Evaluation method. Regulator determination and tribunal decision on written evidence and witnesses, as reported by Clayton Utz, iTnews, InDaily and Biometric Update.

Sources disagree. Biometric Update dates the regulator's ruling to November 2024; Clayton Utz gives 29 October 2024. Clayton Utz says the system ran at stores across Australia and New Zealand; iTnews and InDaily say 63 stores in Victoria and New South Wales. Biometric Update says Bunnings will not have to switch its system off; iTnews says Bunnings ceased using it after the investigation began.

Status. Tribunal decision of 4 February 2026; the regulator said it was considering the decision and could appeal, per Biometric Update.

3 · Original sources

Read these in full. To challenge a fact or a grade, use the contact form at marluc.co.uk or the link on https://marluc.co.uk/case-studies/bunnings-facial-recognition-privacy-tribunal

[1] Clayton Utz: Bunnings "wins" appeal on facial recognition technology
https://www.claytonutz.com/insights/2026/february/bunnings-wins-appeal-on-facial-recognition-technology-key-takeaways-for-businesses-and-privacy-law

[2] iTnews: Bunnings facial recognition privacy breach ruling partially reversed
https://www.itnews.com.au/news/bunnings-facial-recognition-privacy-breach-ruling-partially-reversed-623422

[3] InDaily (AAP): Bunnings hails landmark victory over use of facial tech
https://www.indailysa.com.au/news/just-in/2026/02/09/bunnings-facial-tech-privacy

[4] Biometric Update: Partial tribunal victory allows Bunnings to keep facial recognition system
https://www.biometricupdate.com/202602/partial-tribunal-victory-allows-bunnings-to-keep-facial-recognition-system

[5] Squire Patton Boggs: Bunnings v OAIC, what you may have missed
https://www.squirepattonboggs.com/media/h01aguet/bunnings-v-oaic.pdf

Bunnings Group Limited website: https://www.bunnings.com.au

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