



Environment, Social and Governance (ESG) Strategy

Effective date: 25 July 2018

Last review date: 15 August 2023

Recommended by: Nomination, Remuneration & ESG Committee

Authorised by: Bapcor Board

Bapcor Limited ESG Strategy

1. Introduction

- a) Bapcor Limited's (Bapcor) Environment, Social and Governance (ESG) Strategy builds upon Bapcor's vision, commitment and responsibilities in regard to ESG principles outlined in the Bapcor ESG Policy.
- b) Our approach to taking action on sustainability is defined by our ESG strategic framework. The framework sets out our integrated approach to sustainability as fundamental to what we do, underpinned by our Code of Conduct, our Purpose and our values.
- c) This document is reviewed regularly by the Board of Bapcor (Board) to ensure its appropriateness.

2. Our ESG Strategic Framework

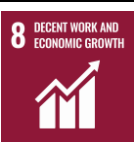


- a) Bapcor's ESG Strategy includes a range of initiatives and targets across four key Areas of Focus:
 - (i) Ethical Supply Chain / Procurement;
 - (ii) Environmental Sustainability;
 - (iii) Good Governance & Supporting And Developing Our Team Members; and
 - (iv) Positively Impact Our Communities.





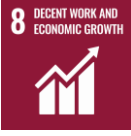

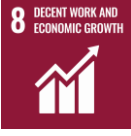
3. Reporting


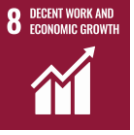




- a) Progress will be tracked against the actions (and timeframes agreed) for each objective of our ESG Strategy.

4. Our Commitment to Sustainability

Key topic	Objective / initiative	FY22	FY23	Target	SDG ¹ Alignment
Human Rights and Modern Slavery	Publish Modern Slavery Statement	✓	✓	Ongoing	
Ethical Supply Chain and Procurement	An active Modern Slavery Working Group	✓	✓	Ongoing	
	Participate in UN Global Compact	✓	✓	Ongoing	
	Develop and Implement ESG-risk based procurement process	Australian Automotive Aftermarket Association (AAAA) Modern Slavery portal launched	126 suppliers commenced onboarding with 70 completed	Actively increase # of suppliers onboarded	
Net Zero Emissions	Reduce Scope 1 and Scope 2 emissions in-line with targets	Net Zero Emission ambition established	Roadmap with specified targets established	40% Reduction by FY30 50% Reduction by FY33	 
	Perform annual emissions assessment for Scope 1 and 2	FY22 not measured-like for-like	28,061 tn (Bapcor wide)	Ongoing	
	Increase renewable energy utilisation	-	Preliminary assessment completed	Finalise renewable energy strategy	

¹ Sustainable Development Goals

Waste Management	Assess and improve waste management processes; increase levels of waste diverted from landfill	FY22 not measured-like for-like	5,861 tn waste generated; (~ 80% of AU/NZ sites)	Scope and mid-term baseline to be created	
			47.2% diverted from landfill (AU only)		
Packaging and Circularity	Review and report on packaging in-line with Australian Packaging Covenant Organization (APCO)	-	Inaugural APCO Report and Action Plan filed	Ongoing	
Health, Safety and Wellbeing	Continue to invest in and develop safety processes, systems and education to reduce TRIFR	20.58 TRIFR 7.18 LTIFR	13.99 TRIFR 5.13 LTIFR	Further improvement in FY24	
Culture and Engagement	Achieve a positive and open culture and a 2nd quartile employee engagement score (utilising the Organisational Health Index, OHI)	3 rd quartile	4 th quartile	2nd Quartile by FY25	
	Reduce total team member turnover across the Group	39.3%	39.0%	Further improvement in FY24	
Diversity and Inclusion	Maintain an active Diversity and Inclusion Working Group	✓	✓	Ongoing	
	Maintain a women's mentoring program	✓	✓	Ongoing	
	Launch inclusive leadership training for senior leaders and managers	-	-	FY24	
	Implement initiatives to improve gender, age, ethnicity and ability diversity across the Bapcor Group	26% Female Team Members	28% Female Team Members	35% FY26	
29% New Female Hires		32% New Female Hires	50% FY26		

		24% Female Internal Promotions	27% Female Internal Promotions	35% FY26	
		15% Female People Leaders	16% Female People Leaders	35% FY26	
		17% GLT and Direct reports	30% GLT and Direct reports	35% FY26	
Privacy Protection	Ensure privacy for personal information	0 data breaches recorded	0 data breaches recorded	Ongoing	
Community Engagement	Bapcor store to support at least two community initiatives in their local area	Not available	\$728K in community investment	Ongoing	 
Fair Tax Contributions	Pay fair share of tax across jurisdictions in which we operate	\$57.5M income tax paid *	\$53.0M income tax paid *	Ongoing	  

*Significant other tax contributions have been made. i.e. Federal, State & local taxes and duties, pay-as-you-go withholdings and indirect taxes (GST, VAT)



5. Version Control

Version	Amendment/s	Date created	Author
1.0	Establish policy	25 July 2018	JJ
1.1	FY19 review	31 August 2018	JJ
1.2	FY20 review	31 July 2019	JJ
1.3	FY21 review	31 August 2020	JJ
1.4	FY21 update	1 December 2021	JP
1.5	FY23 update	15 August 2023	LL