



Environment, Social and Governance (ESG) Policy

Policy No.	BAPCORP120
Effective date:	31 August 2017
Last review date:	15 August 2023
Recommended by:	Nomination, Remuneration & ESG Committee
Authorised by:	Bapcor Board

Bapcor Limited ESG Policy

1 Introduction

- (a) Bapcor Limited (Bapcor) recognises the relevance and interdependencies of engaging with stakeholders, delivering shareholder wealth and optimising business operations in a socially and environmentally responsible manner for a sustainable and successful business.
- (b) Bapcor seeks to take an integrated approach toward economic, environmental and social sustainability, aligning company values and strategic direction with positive outcomes for Bapcor's stakeholders, and the wider community in which we operate.
- (c) This policy is an overarching policy that is supported by Bapcor's Code of Conduct and existing policies, including but not limited to:
 - (i) Human Rights Policy
 - (ii) Anti-Bribery and Corruption Policy
 - (iii) Diversity & Inclusion Policy
 - (iv) Ethical Supply Chain/Procurement (SC/P) Policy
 - (v) Integrity Policy; and
 - (vi) Whistleblower Policy
- (d) The purpose of this policy is to provide principles, commitments, and responsibilities to guide Bapcor's sustainable performance.
- (e) This policy applies to everyone who works at Bapcor, including contractors and consultants.
- (f) This policy is reviewed regularly by the Board of Bapcor (Board) to ensure its appropriateness.

2 Principles

Our approach to ESG is underpinned by the following key Principles:

- (a) Ensure commitment and progress towards identified key Areas of Focus (section 3);
- (b) Assess the effectiveness of Bapcor's initiatives and policies that support key Areas of Focus in Bapcor's operations and supply chain;
- (c) Seek to assess and mitigate ESG risks and emerging ESG issues to understand their materiality with regard to Bapcor's long term value creation;
- (d) Have regard to Bapcor's responsibility to serve the communities in which Bapcor's businesses operate and impact;
- (e) Disseminate this policy to everyone who works at Bapcor, including contractors and consultants; and
- (f) Make this policy publicly available, via publication on the Bapcor website.

3 Areas of Focus

3.1 Ethical Supply Chain / Procurement

- (a) This includes Bapcor's commitment to operate and procure in a manner consistent with an ethical supply chain.
- (b) Our commitment to Ethical Supply Chain / Procurement is to:
 - (i) Support the principles within the Universal Declaration on Human Rights, International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, and UN Guiding Principles on Business and Human Rights.
 - (ii) Uphold our stance on the respect for human rights and elimination of modern slavery in our operations and supply chain and hold our suppliers to account on their own supply chains.
 - (iii) Provide complaint and grievance mechanisms for team members and the broader community to raise risks or concerns in Bapcor's supply chain and procurement processes.

3.2 Environmental Sustainability

- (a) This includes Bapcor's performance on greenhouse gas emissions measurement and reduction, waste management and product packaging strategy.
- (b) Our commitment to Environmental Sustainability is to:
 - (i) Reduce Scope 1 and 2 emissions in line with identified targets.
 - (ii) Transition Bapcor's operations towards renewable energy and a low carbon future.
 - (iii) Assess and improve waste management processes and increase levels of waste diverted from landfill.
 - (iv) Support the principles and ensure alignment with the Australian Packaging Covenant Organisation.

3.3 Practise Good Governance – Supporting & Developing our Team Members

- (a) This includes Bapcor's performance on safety, employee engagement and diversity & inclusion.
- (b) Our commitment to our people is to:
 - (i) Provide a safe working environment for all team members, in a positive and open culture.
 - (ii) Support the learning and development of all team members.
 - (iii) Be an inclusive and diverse organisation.

3.4 Positively Impact Our Communities

- (a) This includes Bapcor's performance on community engagement and social impact.
- (b) Our commitment to communities is to support initiatives that provide positive outcomes to communities that Bapcor engages with.

4 Responsibilities

- (a) The Board has established the Nomination, Remuneration, Environmental, Social and Governance Committee (NRESGC), which operates under the delegated authority of the Board of Directors.
- (b) The NRESGC Charter (which can be found at <https://www.bapcor.com.au/governance>) has been expanded to ensure a focus on ESG by the Committee.
- (c) The Board has responsibility for this policy, including its regular review and the monitoring of its effectiveness.
- (d) The Board commits to annually:
 - (i) annually set and review objectives in relation to ESG Policy; and
 - (ii) assess Bapcor's progress in achieving the objectives as they relate to the Areas of Focus.
 - (iii) Review Bapcor's Corporate Governance Statement, Sustainability Report, ESG Policy and ESG Strategy.

5 Version Control

Version	Amendment/s	Date created	Author
1.0	Establish policy	31 August 2017	
1.1	Update policy	12 April 2018	JJ
1.2	Update policy	1 December 2021	JP
1.3	Update policy	15 August 2023	LL