



## ESG Report 2025



## Acknowledgement of Country

Bapcor would like to acknowledge the Traditional Custodians of Country throughout Australia. We pay our respect to elders past and present.

We recognise the continued connection of all First Nations people with Country across Australia, in particular, on all the land where Bapcor operates.



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# About this Report

Bapcor's 2025 Environmental, Social and Governance (ESG) report outlines our commitments and performance across our most material ESG topics. Unless otherwise stated, the commentary in this report refers to Bapcor Limited and its subsidiaries (the Bapcor Group, Group) for the period 1 July 2024 to 30 June 2025, which aligns to our financial reporting period. It covers Bapcor's operations in three markets: Australia, New Zealand, and Thailand.

## Transparent reporting

Our second standalone ESG report reflects our ongoing commitment and growing maturity in transparently reporting our activities and progress in managing material sustainability topics. This report is prepared with reference to the GRI Standards 2021 and aligns with the recommendations of the Task Force on Climate-related Financial Disclosures (see GRI Content Index and TCFD Index [here](#)).

Bapcor supports the Ten Principles of the United Nations Global Compact (UNGC), emphasising a commitment to Human Rights, Labour, Environment, and Anti-Corruption. Bapcor also supports the United Nations Sustainable Development Goals.

Bapcor reports on its progress in accordance with relevant legislation, frameworks, and standards, while striving to align with global best practices. In this report, we outline our efforts to further embed the UNGC and its principles into Bapcor's strategic objectives, culture, and operations.



WE SUPPORT



**SUSTAINABLE  
DEVELOPMENT  
GOALS**

## Link to all FY25 reports

This ESG report forms part of our [reporting suite](#), including:

- Annual Report
- Corporate Governance Statement
- Tax Transparency Report
- Modern Slavery Statement



# FY25 Highlights



## Our Governance

Refreshed **ESG Strategic Framework** launched

New **Code of Conduct** launched

Refreshed and updated our **technology risk register**



## Our Environment

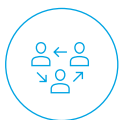
Scope 1 and 2 emissions –  
**4% decrease** from FY24

Detailed assessment of upstream **Scope 3 emissions**

Completed over **350 Packaging Recycling Evaluations** (PREPs)

**>55% waste diverted** from landfill

'Advanced' **APCO** packaging rating maintained

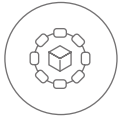


## Our Team Members

Employee engagement score  
**52%** baseline established

Strategy Roadshows across  
**29** locations

TRIFR  
**8.7**



## Our Supply Chain

**Consolidation**  
of warehouse  
footprint

Established an  
**Offshore Consolidation  
Centre (OCC)**

**65% supplier base**  
engaged on modern  
slavery



## Our Community

**B4SI** membership  
maintained

**Community Investment  
\$305K**



# Sustainability Targets

	MEASURE	PERFORMANCE	TARGETS	
		FY25	FY26	FY27
 <b>Our Governance</b>	Code of Conduct/ Anti-Bribery, Corruption and Fraud training completion rate	New team training released	>90%	>95%
	Cybersecurity/ Privacy training completion rate	New team training released	>90%	>95%
 <b>Our Environment</b>	Scope 1 and 2 <sup>1</sup>	Transition planning	40% reduction by FY30 50% reduction by FY33	
	Fleet emissions <sup>2</sup>	Transition planning	↓ 5% YoY	
	Waste diversion <sup>3</sup>	55.3%	>58%	>60%
 <b>Our Team Members</b>	TRIFR	8.7	↓ 5% YoY	
	Female team members	29%	35%	TBD
	Females in senior leadership	27%	35%	TBD
	Employee engagement	52%	75% by FY30	
 <b>Our Supply Chain</b>	DC supply rate	85.6%	>90%	>92%
	% Supplier base engaged by spend	65%	↑ Coverage 5% YoY	
	Third party supplier audits	Develop screening program	Begin implementing audit program	
 <b>Our Community</b>	Community investment	B4SI membership	Develop social impact program	
	Customer sentiment	Customer-focused strategy	Develop Group wide customer NPS and targets	

1. FY23 baseline year. 2. FY25 baseline year. 3. AU only. Approximately 90% of sites.

# Message from the Executive Chair and Chief Executive Officer

Dear shareholders and stakeholders,

It is my pleasure to share Bapcor's 2025 ESG report for FY25. While it is Bapcor's second standalone report, it is my first ESG report as Executive Chair and CEO.

Bapcor's purpose is to be there for what matters most. That means being there to ensure our shareholders, customers, suppliers, communities and team members can get where they need to be, to do what matters most to them.

This year we made steady progress on our purpose, with the launch of Bapcor's five-year business strategy, and with a refresh of our ESG framework.

Both our strategy and our ESG framework were created with input from Bapcor's Board and Group Leadership Team (GLT), our team members, customers and stakeholders. The ESG framework was informed by a materiality assessment undertaken in 2024.

These plans are intrinsic to each other. Together, they build on Bapcor's existing strengths, incorporating the ongoing work to strengthen our position and grow sustainably while caring for our people and our communities.

Bapcor's ESG commitment to environment and social responsibility and to delivering on our commitments across four strategic pillars include:

- Establishing excellence for our team members in safety, diversity and inclusion.
- Improving our supply chain and logistical practices.
- Managing risk and remaining compliant with local laws and guidelines.
- Delivering to our customers in the most sustainable way we can.

A select set of key measures has been identified for each strategic pillar.

These measures are carefully aligned with Bapcor's priorities and an evolving regulatory landscape. We have clear accountability through a refreshed leadership team responsible for delivery, and a mechanism for receiving and responding

to feedback through two important tools – our employee engagement survey and customer net promoter score survey.

While there is always more work to do, I'm proud of both the strategy and the framework.

Thank you to our Bapcor team members who bring passion and pride in being there for what matters to our customers, shareholders, and communities. And doing this every day.

I look forward to delivering meaningful progress on our priorities, guided by our ESG principles, and sound governance.



Angus McKay  
Executive Chair  
and CEO



# About Us

In FY25, we released our five-year business strategy, detailing how we plan to simplify and optimise our business. We will focus our efforts on consolidating operations wherever possible to reduce costs and leverage performance.



We sell to independent mechanics, national chains and service centres.



We have a collection of truck (CVG), electrical (JAS) and specialist brands. These service the truck, auto electrical and parts reseller markets.

Wholesale



Specialist Networks





The strategy builds on Bapcor's existing strengths with six strategic imperatives: 1) optimise network; 2) customer focus; 3) store fitness; 4) one supply chain; 5) digitalise the business and 6) simplify the business. This will enable each business to cater for its specific customer's needs, while leveraging Group-wide expertise.

Our customers are at the centre of our five-year strategy, to service their needs and add value to their businesses, their hobbies, and their passions. We have a favourable starting position; we now need to ensure we build upon these foundations.



#### Optimised network

Provide platform for driving growth



#### One supply chain

Right parts, right place, right cost



#### Customer focus

Customer at the centre of everything we do



#### Digitalise the business

Deliver improved operating efficiencies



#### Store fitness

Drive performance-based culture



#### Simplify the business

Remove complexity and provide clarity



We sell to consumers through our retail business, which has a franchise and service element.



We sell to independent mechanics, national chains, service centres and to businesses through a wholesale model.



# Our Approach to ESG

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Bapcor's approach to ESG is based on the firm belief that responsible business practices are essential to long-term success. We view environmental, social and governance considerations as core to how we operate, influencing our decisions, shaping how we engage with stakeholders, and guiding how we create value across the business.

We strive to integrate sustainability into our operations and leadership mindset. We focus on the areas where we can make a measurable difference, within the context of our business model and industry.

Our approach continues to evolve as stakeholder expectations, regulations, and industry standards shift. Governance plays a central role in how we oversee and embed ESG across the organisation, with clear roles and accountability to support progress over time.

## Refreshed ESG Strategy and Strategic Framework

In FY25, Bapcor revisited our ESG Strategy and ESG Strategic Framework to ensure our sustainability efforts remain focused, measurable, and aligned with stakeholder expectations, operational priorities, and regulatory change.

The refreshed strategy is shaped around four key strategic pillars: Our Environment, Our Supply Chain, Our Team Members, and Our Communities. These pillars reflect the ESG topics most relevant to Bapcor's operations and value chain. Governance is a foundational element of the framework, supporting the establishment, monitoring, and continuous improvement of sustainable practices.

To guide delivery, the framework sets out clear goals, initiatives, and responsibilities under each pillar.

It also highlights alignment with relevant UN Sustainable Development Goals (SDGs), demonstrating how our actions contribute to global sustainability priorities. A focused set of performance measures has been defined, to ensure Bapcor's ESG commitments are embedded across the business. Read our sustainability targets for each topic on page 04.

The framework was informed by insights from Bapcor's FY24 double materiality assessment, which helped validate and sharpen our focus. The process considered both the impact Bapcor has on the environment and society, as well as the influence of ESG factors on our long-term performance. Consultation with the Board, GLT and other key stakeholders ensured alignment with both business objectives and external expectations.

Figure 1: ESG Strategic Framework

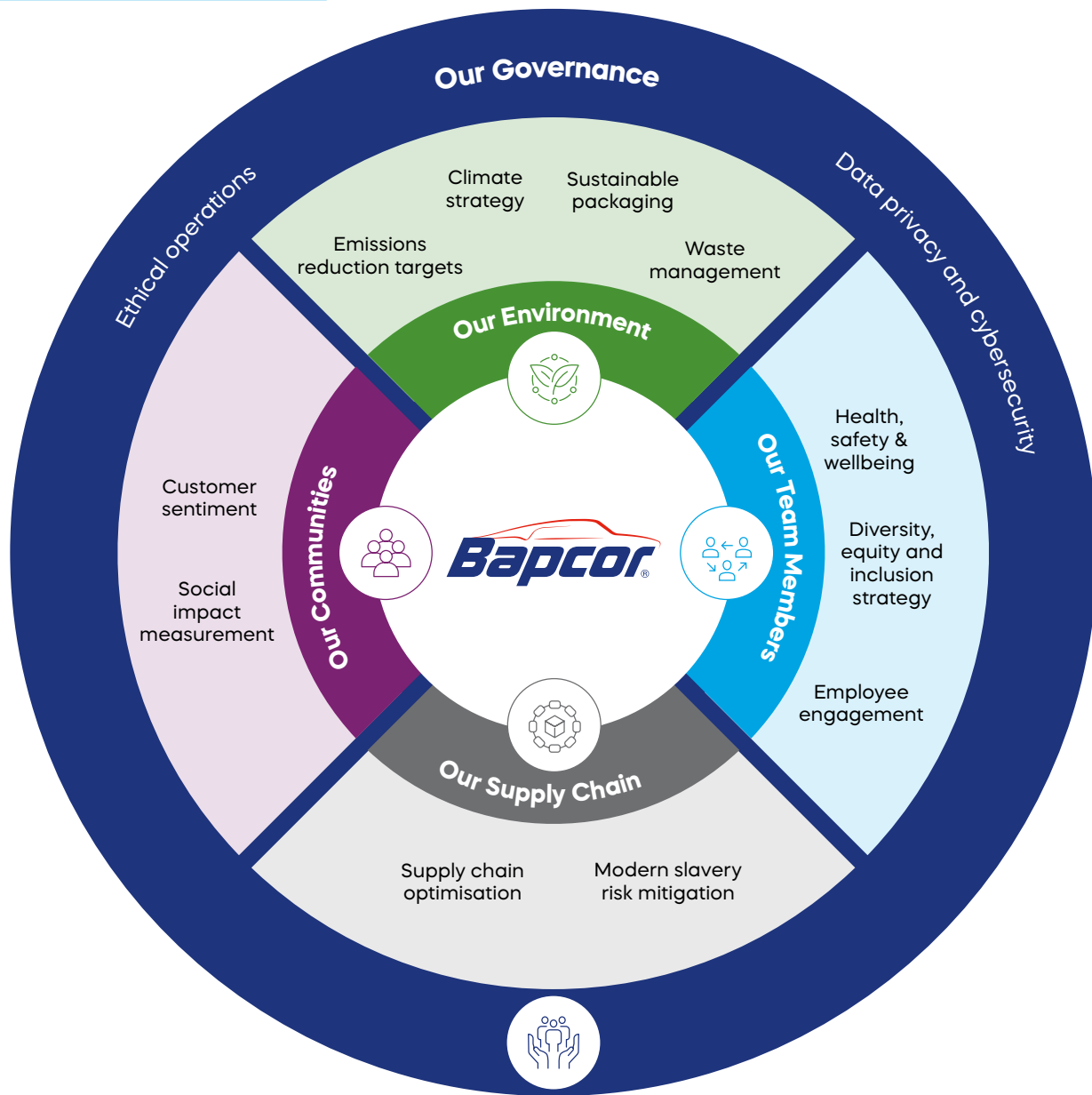


Figure 2: Materiality assessment process



## Governance

Governance is foundational to our ESG Strategy, ensuring sustainable practices are embedded, monitored, and continuously improved across the business. Bapcor has implemented oversight and control measures at both leadership and operational levels to ensure ESG priorities are integrated into our operations and regularly reviewed. Our ESG Policy underpins all sustainability-related policies, driving alignment and providing a consistent framework for incorporating ESG considerations into decision-making.

We operate with three levels of ESG governance – the Board, Leadership, and Operations – which work collaboratively to implement the ESG Strategic Framework and manage ESG and climate-related risks and opportunities.

The Board sets the organisation's strategic direction and monitors performance against ESG goals, supported by three committees:

- **Remuneration and ESG (RESG) Committee:** Provides oversight of ESG policies, practices, and reporting, with quarterly updates including in-depth reviews of key ESG topics and initiatives.
- **Audit and Risk Committee:** Reviews and monitors the operational risk management framework, including climate-related risks.
- **Nomination Committee:** Guides Board and Committee composition, Board performance and development, and succession planning.

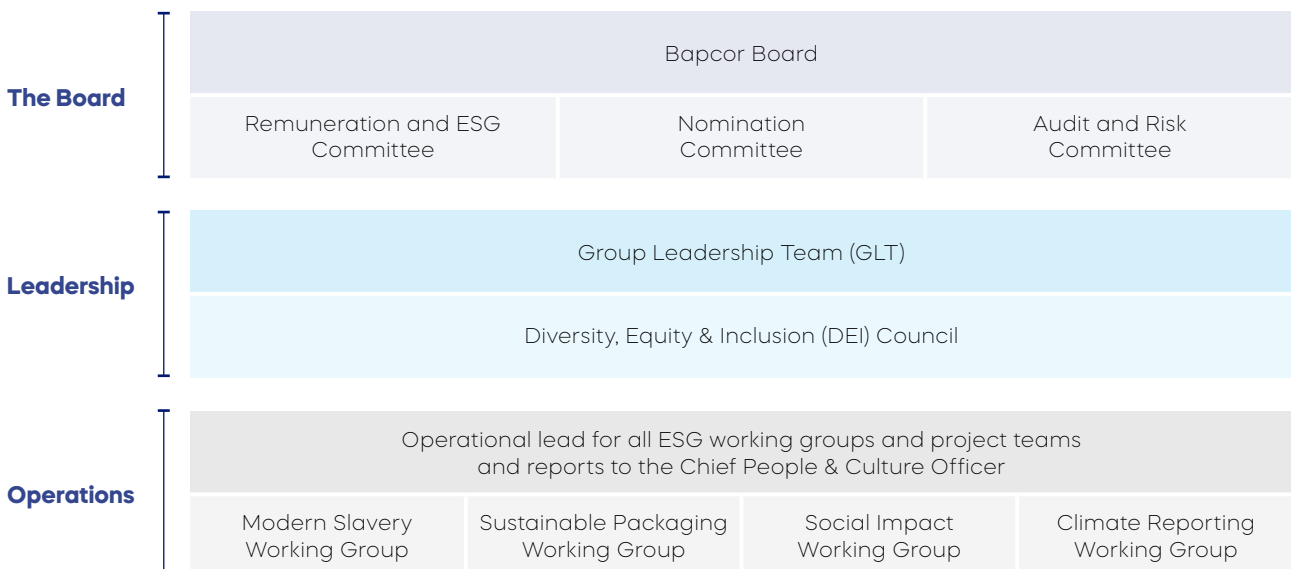
The GLT, led by the CEO, is responsible for implementing the ESG Strategy, overseeing progress and performance, and assessing and escalating risks. The GLT has become increasingly engaged in ESG discussions across the business, fostering greater accountability and ownership.

At the operational level, the ESG Manager, reporting to the Chief People & Culture Officer, provides regular updates on ESG progress and initiatives to the GLT. The ESG function supports cross-functional collaboration between Finance, Procurement, Fleet and Property Teams, helping to embed sustainability into core business functions. As a result, business units are increasingly integrating ESG considerations into areas such as packaging, waste management, and store operations.

Specialist governance bodies include the Diversity, Equity & Inclusion (DEI) Council, comprised of GLT members responsible for driving DEI outcomes and strategic planning, and the ESG Climate Reporting Working Group, which manages mandatory climate reporting requirements and addresses the business impacts of climate change.

The ESG Strategic Framework is reviewed annually, with insights from refreshed materiality assessments ensuring focus areas remain relevant and aligned with business priorities.

**Figure 3: ESG Governance**





## Stakeholder engagement

Bapcor recognises that our stakeholders are key to ensuring the success of our business. The table below lists our key stakeholders, their interests, and our method of engagement with each.

**Table 1: Stakeholder engagement**



Stakeholders	Key topic interests	How we engage
 <b>Team members</b>	<ul style="list-style-type: none"> <li>Employee engagement</li> <li>Modern slavery risk mitigation</li> <li>Ethical operations</li> <li>Health, safety and wellbeing</li> <li>Diversity, equity and inclusion</li> <li>Data privacy and cybersecurity</li> <li>Customer sentiment</li> </ul>	<ul style="list-style-type: none"> <li>Policies on health, safety and wellbeing, diversity and inclusion, privacy and cybersecurity</li> <li>Code of Conduct</li> <li>Ongoing training and professional development programs</li> <li>Town Halls</li> <li>Strategy Roadshow for team members</li> <li>Engagement surveys</li> </ul>
 <b>Investors</b>	<ul style="list-style-type: none"> <li>Climate strategy</li> <li>Emissions reduction targets</li> <li>Supply chain optimisation</li> <li>Ethical operations</li> <li>Modern slavery risk mitigation</li> </ul>	<ul style="list-style-type: none"> <li>Investor centre on the Bapcor website</li> <li>Annual and interim reporting</li> <li>Full-Year and Half-Year briefings to the market</li> <li>One-on-one meetings with investors, proxies and analysts</li> </ul>
 <b>Partners and suppliers</b>	<ul style="list-style-type: none"> <li>Supply chain optimisation</li> <li>Modern slavery risk mitigation</li> <li>Climate strategy</li> <li>Emissions reduction targets</li> <li>Sustainable packaging</li> <li>Waste management</li> </ul>	<ul style="list-style-type: none"> <li>Supplier briefings</li> <li>Supplier portal</li> <li>UNGC Modern Slavery Community of Practice</li> <li>Australian Automotive Aftermarket Association (AAAA) Modern Slavery Consortium</li> </ul>
 <b>Customers</b>	<ul style="list-style-type: none"> <li>Ethical operations</li> <li>Modern slavery risk mitigation</li> <li>Climate strategy</li> <li>Data privacy and cybersecurity</li> <li>Customer sentiment</li> </ul>	<ul style="list-style-type: none"> <li>Trade shows</li> <li>Loyalty programs</li> <li>Social media</li> <li>Surveys</li> </ul>
 <b>Industry</b>	<ul style="list-style-type: none"> <li>Modern slavery risk mitigation</li> <li>Climate strategy</li> <li>Emissions reduction targets</li> <li>Employee engagement</li> </ul>	<ul style="list-style-type: none"> <li>Australian Automotive Aftermarket Association (AAAA)</li> </ul>
 <b>Communities</b>	<ul style="list-style-type: none"> <li>Modern slavery risk mitigation</li> <li>Social impact measurement</li> <li>Climate strategy</li> <li>Waste management</li> </ul>	<ul style="list-style-type: none"> <li>Community initiatives</li> <li>Recycling initiatives and waste program</li> <li>Net zero commitment</li> </ul>



# Our Governance

Governance underpins Bapcor's ability to operate with integrity, transparency, and accountability. In FY25, we reinforced our Values and strategic direction across the business, while advancing our commitment to ethical conduct in-line with the UN Global Compact. As data and cybersecurity risks evolve, we continue to strengthen our systems and training to protect our people, partners, and operations.



GOAL	KEY INITIATIVES	KEY MEASURES	SDGs
Embed <b>ethical operations</b> throughout the company through proactive measures, responding quickly to incidents and promoting transparency and accountability.	<ul style="list-style-type: none"> <li>Do the Right Thing training program.</li> </ul>	<b>Organisation wide training:</b> percentage of team members who have completed Code of Conduct and Anti-Bribery, Corruption, and Fraud Policy training.	
Maintain and continually improve our <b>data privacy</b> and <b>cybersecurity</b> systems and policy framework to reduce risks of cyber losses and optimise performance.	<ul style="list-style-type: none"> <li>Establish, govern and track technology roadmap.</li> <li>Cybersecurity and privacy training.</li> </ul>	<b>Organisation wide training:</b> percentage of team members who have completed Cybersecurity and Privacy training.	

# Our Values



## **We do the right thing**

We are open, honest and respectful. We do what we say and say what we do.



## **We give a damn**

We care about what we do and are proud of how we do it. We are passionate and make a difference.



## **We are in it together**

We're all part of the Bapcor family. We support each other, include everyone and have fun along the way.



## **We get it done**

We use our unique talents to find solutions and achieve common goals. We celebrate success and strive to win.



We remain committed to living by Bapcor's Values. They help shape and guide our decisions, ensuring we act in a way that is ethical, respectful and inclusive.

## **Ethical operations**

### **Why ethical operations matter to Bapcor**

As a company operating across multiple business units in Australia, New Zealand, and Thailand, establishing a high standard of conduct is essential to building trust among our team members, customers, and other stakeholders.

### **How we manage ethical operations**

In FY25, we introduced a refreshed Code of Conduct (Code) across the Group, providing updated guidance for team members about Bapcor's Values and expectations. Developed in collaboration with store managers, this updated document helps set consistent standards across the business. Beyond supporting regulatory compliance, the updated Code sets the base for our aspirational culture.

To reinforce this new Code, we launched a Bapcor-wide training module that outlines the expected behaviours all team members are accountable to uphold, while offering practical guidance for ethical decision-making in the workplace.

### **▶ Looking ahead**

We are committed to ensuring the integration of our Group-wide Code of Conduct, embedding the policy into our business operations, and providing ongoing training across all sites. In FY26, our priority will be ensuring team members have completed the new Code of Conduct training module, as well as reinforcing key messages from the strategy roadshow and strengthening alignment across the organisation.



## Data privacy and cybersecurity

### Why data privacy and cybersecurity matter to Bapcor

At Bapcor, safeguarding data privacy and cybersecurity is core to how we protect our people, operate responsibly, and build trust with our customers and partners. As our operations become increasingly digital, so too does our responsibility to keep systems secure and information private. Cybersecurity and data privacy are managed through a Group-wide framework that brings together technical controls and governance structures. Protecting this data is essential – not only to meet regulatory requirements, but to uphold our commitment to being a reliable and secure part of our customers' and their businesses.

There were no reportable data privacy or cybersecurity breaches during the reporting period. Our security tools and processes, including endpoint protection and incident detection, actively monitor activity across our systems. When issues arise, they are escalated and contained quickly, ensuring minimal disruption, and preventing data loss.

### Cybersecurity program delivery

During FY25, Bapcor progressed the final phase of a multi-year cybersecurity program, aligned to the National Institute of Standards and Technology (NIST) framework. This program includes a Cyber Security Controls Framework, combining technical tools with policy-based controls to classify, manage, and protect sensitive information.

To support this, we updated our technology risk register covering key risks – including data privacy, system security, and third-party exposure – each mapped to control actions and oversight mechanisms. This helps ensure risks are actively managed and integrated into broader business decision-making.

### Training and awareness

At Bapcor we recognise that knowledge is an important tool to combat cyber threats and therefore ensuring that our team members are vigilant and educated is fundamental.

Training is essential to our data privacy and cybersecurity strategy, equipping our teams with the knowledge to identify and mitigate cyber risks. This year we launched a series of interactive training modules to assist team members identify and respond to cybersecurity threats such as phishing, malware, and social engineering attacks.

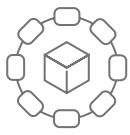
### ► Looking ahead

As we complete the final stages of the current cybersecurity program, we're also preparing for what's next. We are developing a governance framework to support the safe and responsible use of generative AI tools across the business. This includes planning for secure document access, user permissions, and AI literacy initiatives to ensure the technology is adopted thoughtfully and safely.

Implementation of a formal data governance strategy will help us strengthen how we manage, classify, and store information across our systems, improving both data protection and data quality.

We remain focused on building a secure, resilient technology environment that supports our growth, protects our customers, and helps our people work safely and effectively.

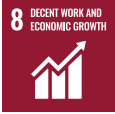







# Our Supply Chain

As a supply chain-driven business, Bapcor is focused on building a network that is efficient, resilient, and responsible. In FY25, we advanced key initiatives to optimise our operations, including domestic and offshore consolidation across our warehouses and Distribution Centres (DCs). We also deepened our commitment to ethical sourcing by expanding supplier assessments and strengthening our approach to modern slavery risk. These efforts support greater transparency and integrity across our value chain, while reinforcing our role in promoting sustainable and ethical business practices.



GOAL	KEY INITIATIVES	KEY MEASURES	SDGs
Optimise our <b>supply chain</b> to enhance inventory management, increase delivery speed, and trigger resource efficiencies whilst continuing to ensure exceptional value and responsiveness for our customers.	<ul style="list-style-type: none"><li>• Inventory control.</li><li>• Accelerating delivery times.</li></ul>	<b>DC Supply Rate:</b> percentage of products ordered vs percentage of products supplied by the DCs.	 
Proactively manage and mitigate <b>human rights</b> and <b>modern slavery risks</b> in our operations and collaborate with suppliers in our supply chain.	<ul style="list-style-type: none"><li>• Strategic sourcing and Systems alignment.</li><li>• Stakeholder engagement.</li><li>• Organisational capacity.</li><li>• Due diligence, verification and remediation.</li></ul>	<b>% Supplier base engaged by spend:</b> percentage of total annual supplier spend engaged as part of our modern slavery program.  <b>Supplier audits:</b> visibility and initiation of third party modern slavery audits on suppliers.	 

## Supply chain optimisation

### Why supply chain optimisation matters to Bapcor

Network optimisation is a strategic priority for Bapcor, directly impacting our operational efficiency, sustainability, and customer experience. Optimisation is critical to improving our supply chain ecosystem as we prioritise reducing environmental impacts, address modern slavery risks, and support ethical procurement.

### Consolidating our distribution centres

In the past year, we have continued to optimise our supply chain and logistics network to enhance our customer experience and introduce more efficiencies. A key initiative in FY25 for our Australian network has been the consolidation of smaller warehouses into our larger DCs. By closing multiple satellite warehouses and centralising inventory, we have increased the efficiency of our delivery routes by shipping products directly to the required customer destination, eliminating unnecessary internal transfers between domestic warehouses. Instead of delivering to a warehouse location after receipt into the DCs we now have the option to deliver direct to customer taking a step out of the supply chain journey.

### Establishing our Offshore Consolidation Centre

We have also established an Offshore Consolidation Centre (OCC) in China (where many of our key suppliers are based). This approach has removed unnecessary intermediary steps that were previously impacting delivery times and product errors. For example, goods heading to New Zealand are now shipped directly from China to Auckland, avoiding the previous practice of routing through our central DC in Melbourne. We envisage continued benefits here with more direct logistics legs out of the OCC planned.



### CASE STUDY

## Collapsible metal stillages

A review of Bapcor's disposable pallet systems conducted by our Supply Chain Team revealed several inefficiencies. Most notably, supplier price increases for pallets posing financial risks to the business, landfill generated from single-use cardboard pallets and shrink wrap, and the limited functionality to double-stack pallets with the potential to damage stock.

In response, we have launched a pilot using collapsible metal stillages to reduce waste and costs. The stillages are also designed with a half-wall for safe and easy access, reducing damage to stock and associated workplace injuries.

The introduction of collapsible metal stillages across our warehouses in Victoria through this pilot shows signs of waste reduction opportunities.

### ► Looking ahead

This year, we expanded the role of our Executive General Manager Supply Chain to oversee Procurement, and we will continue to focus on domestic and offshore consolidation across our DCs with a view to achieving greater efficiencies across our value chains.

## Modern slavery risk mitigation

### Why modern slavery risk mitigation matters to Bapcor

Bapcor acknowledges our responsibility to respect human rights and stands firmly against all forms of modern slavery. Our approach to modern slavery is guided by clear expectations and guidelines to uphold human rights in both our business operations and across our supply chain. We expect our team members, contractors, and suppliers to uphold these same standards. Our modern slavery risk mitigation efforts focus on gaining a better understanding of our supplier base, deepening supplier engagement, enhancing risk assessment, and fostering industry collaboration to promote fair labour practices and transparency across our supply chain.

### How we mitigate our modern slavery risks

Bapcor takes a continuous improvement approach to managing our modern slavery risks and is committed to progressively expanding the breadth and depth of supplier engagement under our modern slavery program.

Our strategic framework on modern slavery underpins our modern slavery risk management approach and is supported by our Human Rights Policy and Ethical Supply Chain/Procurement Policy. The strategic framework consists of four key focus areas that form the basis of our Modern Slavery Roadmap (see Figure 4):

- Strategic Sourcing & Systems Alignment
- Stakeholder Engagement
- Organisational Capacity
- Due Diligence, Verification and Remediation

**Figure 4: Modern Slavery Roadmap**



## Supplier due diligence

In line with the United Nations Guiding Principles on Business and Human Rights and the Australian Government's Guidance on the *Modern Slavery Act 2018* (Cth), we seek to focus on the highest risk areas of our spend. This risk-based approach is essential given the breadth of our extensive supplier base. The supplier self-assessment and interview approach outlined below enables us to target our supplier due diligence to identify and mitigate key risk areas and facilitates ongoing and open dialogue with suppliers.

## Supplier self-assessments and interviews

This year, we prioritised onboarding more suppliers to our Australian Automotive Aftermarket Association (AAAA) modern slavery self-assessment platform, with a target of increasing our FY24 cohort by 30%. We well exceeded this target during the reporting period and onboarded 354 suppliers (up from 234), which account for ~65% of our supplier spend. This achievement has helped us gain a deeper understanding of our tier 1 supplier landscape. Following completion of the assessment, we share resources with these suppliers to guide them on areas where they could mitigate modern slavery risks as part of our continuous improvement approach.

The self-assessment process is critical for identifying high risk suppliers for modern slavery and engaging them further. This year as a next step, we conducted one-on-one meetings with some of our high risk suppliers, identified by country and industry, supported by Mandarin-speaking Bapcor personnel to facilitate greater discussions with our partners based in China. These discussions gave us a deeper understanding of supplier practices and processes, their operations and helped address questions we had concerning labour practices.

## Additional category risk assessments

This year, we complemented our existing supplier assessment and engagement activities by carrying out category risk assessments for five key product categories to pinpoint the specific modern slavery risks for each. As a result of the assessment findings, we have identified scope to strengthen our management of risks across these products and are in the process of developing targeted management approaches for each that will be introduced in FY26.

## Industry collaboration

Engaging with industry peers and key stakeholders enables us to support broader efforts to address this topic and improve as an industry overall. Our collaboration via the AAAA Modern Slavery Consortium provides an opportunity to discuss shared problems and work together to increase the number of suppliers participating on the AAAA platform. This year the Consortium met monthly to discuss key modern slavery risk areas in supply chains, review relevant reports and learn from subject matter experts, including the Australian Government Attorney-General's Department. A key resource from our work in FY25 is the introduction of a balanced scorecard framework to apply an evidence-based risk score to each supplier using relevant data points. Our Procurement Team actively engage in the AAAA process, which offers valuable insights to enhance our approach.

To support these interactions, we are also active members of the UNGC Modern Slavery Community of Practice, participating in quarterly meetings with other companies to learn and discuss the opportunities and challenges facing Australian businesses relating to identifying, managing, and communicating modern slavery risks.



**Bapcor onboarded 354 suppliers to the AAAA modern slavery self-assessment platform, which accounts for ~65% of our supplier spend.**

## ► Looking ahead

Bapcor is committed to expanding the scope and depth of our modern slavery program. We will continue to be guided by the targets set out in our Roadmap including focusing on high-risk Tier 1 suppliers, due diligence, verification, and collaborating with our industry partners. In FY26, we aim to continue onboarding additional suppliers to our AAAA self-assessment platform and we will continue to conduct targeted one-on-one interviews with our high-risk suppliers and investigate the need for third party audits as required.









# Our Environment

In FY25, we continued to develop our decarbonisation strategy to reduce emissions as well as our approach to managing the risks, opportunities, and compliance requirements linked to climate change. We also accelerated efforts to reduce waste and have introduced more sustainable packaging across our Own Brand portfolio. These initiatives, supported by collaboration and innovation, are central to ensuring a sustainable future for our business and the communities we serve.



GOAL	KEY INITIATIVES	KEY MEASURES	SDGs
<p>Monitor, manage and reduce <b>emissions</b> with better data quality and a more complete dataset to support reporting and compliance requirements.</p> <p>Implement our <b>climate strategy</b> for a gradual transition to a low carbon economy.</p>	<ul style="list-style-type: none"><li>Emissions reduction.</li><li>ASRS disclosure.</li><li>Decarbonisation strategy.</li></ul>	<p><b>Scope 1 and 2:</b> annual emissions (tn) and reduction against FY23 baseline in-line with FY30 and FY33 targets.</p> <p><b>Fleet Emissions:</b> year-on-year reduction in emissions from fleet compared to the baseline.</p>	 
<p>Achieve comprehensive waste data reporting across all sites and implement strategies to <b>manage our waste</b>.</p>	<ul style="list-style-type: none"><li>Waste data reporting.</li></ul>	<p><b>Waste diversion:</b> year-on-year increase in percentage of waste diverted from landfill.</p>	
<p>Collaborate with our global supplier network to ensure Own Brand <b>packaging</b> meets best practice standards.</p>	<ul style="list-style-type: none"><li>Annual APCO reporting.</li></ul>	<p><b>APCO score:</b> maintain or exceed APCO 'Advanced' packaging status.</p>	

## Emissions reduction targets

### Why emissions reduction targets matter to Bapcor

Bapcor recognises the growing importance of understanding and managing greenhouse gas (GHG) emissions in response to the impacts of climate change. As a business with extensive operational, transport and supply chain footprints across Australia, New Zealand, and Thailand, managing and reducing emissions is important to controlling operating costs, meeting stakeholder expectations, and aligning with emerging regulatory requirements.

In FY25, our focus remained on strengthening the systems and processes that underpin our emissions measurement. High-quality data is critical to identifying reduction opportunities, supporting investment decisions, and tracking progress against our long-term commitments. While previous years had seen increases in Scope 1 and 2 emissions, these improvements have contributed to a small decrease in both compared to FY24. This work also positions Bapcor to meet future climate-related disclosure requirements under the Australian Sustainability Reporting Standards (ASRS), which will require certain companies to report Scope 1, 2 and 3 emissions.

### Scope 1 and 2

Bapcor has committed to reducing Scope 1 and 2 emissions by 40% by FY30 and 50% by FY33, from an FY23 baseline. In FY25, we focused on improving the accuracy and coverage of our emissions data to support long-term target delivery.

Compared to FY24, Scope 1 emissions decreased by 7% and Scope 2 emissions (market-based) decreased by 4%. For detailed Scope 1 and 2

emissions data for FY25 and previous years, refer to Table 2. These changes reflect both operational improvements and enhanced data quality. Scope 1 emissions are predominantly generated from fuel used in our fleet operations, as well as stationary fuel and refrigerant use across our sites. Scope 2 emissions arise from the consumption of purchased electricity consumed across our entire network including our DCs, warehouses, stores, and office operations.

To strengthen our reporting, we continued expanding our centralised energy data platform, enabling improved visibility and traceability of Scope 2 emissions across Australia and New Zealand. We also maintain high data quality and accuracy in our Scope 1 emissions reporting, supported by detailed tracking of fleet fuel use through fuel cards. This robust data collection underpins our emissions calculations and strengthens the reliability of our reporting.

Fleet remains one of the most material contributors to Bapcor's operational emissions. During FY25, we completed a detailed review of our fleet profile, including fuel types and vehicle categories, and explored scenarios for achieving a lower emissions fleet. In parallel, emissions associated with warehouse operations and freight movements were reviewed as part of ongoing site consolidation planning. These assessments are helping to inform how operational changes can contribute to reducing emissions over the medium term.

All Scope 1 and 2 emissions are calculated in line with best practice methodologies, applying the National Greenhouse and Energy Reporting (NGER) Scheme<sup>1</sup> requirements and maintaining alignment with the Greenhouse Gas (GHG) Protocol.

**Table 2: GHG emissions (tCO<sub>2</sub>e)**

Emissions scope <sup>2</sup>	FY23	FY24	FY25	Targets
<b>Scope 1</b>	14,250	14,567	13,500	Reduce Scope 1 and 2 emissions by 40% by FY30, from an FY23 baseline
<b>Scope 2 (market-based)</b>	13,811	14,285	14,097	
<b>Scope 2 (location-based)</b>	14,071	15,318	14,940	Reduce Scope 1 and 2 emissions by 50% by FY33, from an FY23 baseline
<b>Scope 1 and 2 (market-based)</b>	28,061	28,852	27,598	

1. <https://cer.gov.au/schemes/national-greenhouse-and-energy-reporting-scheme>.

2. **Location-based method:** Location-based emissions estimation methods are based on onsite consumption multiplied by industry averages and typically do not reflect a company's decision to purchase renewable energy or products calculates GHG emissions based on the average emissions intensity of grids on which energy consumption occurs.

**Market-based method:** The market-based method of estimating Scope 2 emissions subtracts eligible renewable energy purchases from the total quantity of purchased or acquired electricity that is not considered renewable before applying an emissions factor to the residual electricity.

## Scope 3

In FY25, Bapcor continued building on foundational work to identify and address the most material sources of Scope 3 emissions across its value chain. A structured screening was conducted, allowing Bapcor to determine priority areas for data collection and process development.

Three upstream categories were identified as most relevant for Bapcor: purchased goods and services, upstream transport, and waste. For purchased goods and services, the focus was on understanding the emissions footprint of Bapcor's spend, supported by the development of a new data management platform. In upstream transport, Bapcor engaged directly with major freight providers to begin collecting primary emissions data and improve transparency. Waste was added as a relevant Scope 3 emissions category to reflect Bapcor's ability to influence both the volume generated and the methods used for disposal, recognising it as an area the organisation can actively manage and reduce.

Internal work also progressed to formalise data ownership, clarify category boundaries, and establish repeatable processes for future Scope 3 data collection and reporting.

## Progress through collaboration

In FY25, a key development was the collaboration between our ESG Team and the Fleet and Property Teams. Leveraging improved Scope 1 and 2 datasets, this joint approach has helped pinpoint areas where emissions reductions can be achieved and deliver 'quick win' opportunities that support progress towards our long-term targets. Work also commenced on expanding emissions tracking, with early steps taken towards covering the full Scope 3 upstream footprint in line with the GHG Protocol. These efforts included refining data accuracy and trialling enhanced partner dashboards to improve visibility and engagement with logistics and supply chain partners. This work is essential in preparing for upcoming mandatory climate-related disclosure requirements under ASRS, which will require companies to report their material Scope 3 emissions from the second year of reporting.

**Table 3: Scope 3 upstream categories**

Category	Relevance	Actions underway
<b>Purchased goods and services</b>	Highly relevant	Consolidate data based on spend
<b>Capital goods</b>	Relevant	Consolidate data based on spend
<b>Fuel – and energy-related activities</b>	Relevant	Improve on data accuracy by leveraging energy monitoring platform
<b>Upstream transportation and distribution</b>	Highly relevant	Engage with suppliers to obtain primary data
<b>Waste generated in operations</b>	Highly relevant	Improve data accuracy by leveraging waste monitoring platform
<b>Business travel</b>	Relevant	Consolidate data based on travel records
<b>Employee commuting</b>	Relevant	Estimate based on FTE data

## ► Looking ahead

In FY26, our focus will shift to the implementation of emissions reduction strategies, driving meaningful progress across initiatives. Expanding our Scope 3 coverage will remain a priority, enabling a more complete understanding of value chain emissions and supporting alignment with ASRS requirements. Enhanced partner dashboards will be rolled out to provide real-time data and strengthen collaboration

with key partners. As part of our broader energy reduction strategy, permit applications are now pending for a solar system at our largest DC in Victoria. Throughout this work, emissions considerations will continue to be embedded into governance and planning frameworks, ensuring operational accountability and informed decision-making as we move toward our long-term emissions reduction goals.

## Climate strategy

### Taskforce on Climate-related Financial Disclosures (TCFD)

#### Why climate strategy matters to Bapcor

Bapcor recognises the importance of managing climate risks and opportunities across our operations and supply chain. We are committed to playing our part in the transition to a low-carbon economy, not only to meet growing stakeholder expectations and regulatory requirements, but to operate more efficiently and responsibly.

In FY25, we've focused on building a clearer picture of our emissions profile and identifying opportunities for emissions reduction. This includes developing a comprehensive decarbonisation strategy, conducting detailed analysis of energy use across key sites, and modelling different scenarios for transitioning our fleet.

Bapcor has also progressed on climate scenario analysis to deepen our understanding of potential physical and transition risks across multiple future scenarios and timeframes. These insights are strengthening our approach to climate resilience and inform our long-term strategic planning. Table A1 in the Appendix shows the key physical and transitional climate risks and opportunities identified by Bapcor. These areas of work will directly inform and shape the disclosures we make in the first year of reporting under ASRS next year.

#### Governance

Climate-related risks and opportunities continue to be overseen at multiple levels across Bapcor. Executive-level governance is supported by a dedicated working group, which meets regularly to guide activity on emissions reduction, climate risk analysis, and disclosure readiness. Throughout FY25, this group continued to support scenario analysis, strategic project delivery, and reporting development. Climate-related projects – including our decarbonisation strategy – were presented to the Bapcor Board during the year, supporting visibility and alignment across senior leadership. As part of our ASRS readiness work, we have begun reviewing governance requirements in more detail and will continue to assess the structures and responsibilities required to ensure full alignment in FY26.

#### Strategy

In FY25, we undertook significant work to assess the levers available to reduce our emissions over time, as well as to strengthen our understanding of both physical and transition climate risks.

Our updated decarbonisation strategy brings together electricity interval analysis across select representative sites, fleet profiling, and a prioritised set of reduction initiatives. These include solar, fleet transition pathways, energy efficiency upgrades (e.g. HVAC, lighting), and behavioural change programs. By evaluating each initiative based on potential impact, cost, feasibility, and alignment with our operations, we have developed a structured, data-informed strategy to guide action over the next several years.

We conducted quantitative climate scenario analysis to better understand how various transition and physical climate scenarios, aligned to different time horizons, could impact our business. This analysis identified our priority physical risks as increased frequency and severity of acute weather events such as storms, floods, and heatwaves, which affect both assets and workforce, as well as chronic risks including long-term temperature rise, drought, and extreme heat. On the transition risk side, adapting to changing market and consumer preferences towards low-carbon transport and related services remains critical. These insights have helped prioritise Bapcor's climate-related risks and opportunities and will inform timing for proactive adaptation and strategic planning to maintain our competitive position in a rapidly evolving landscape.



**Bapcor is committed to playing our part in the transition to a low-carbon economy.**



## Risk management

Bapcor manages climate-related risks through its enterprise risk management framework, recognising that climate impacts can affect the reliability of our operations, the resilience of our supply chain, and the expectations of regulators and stakeholders. These risks are included in the Group's risk register and are subject to oversight by the Board and the Audit and Risk Committee (ARC).

In FY25, we completed an updated climate risk assessment covering both physical and transition risks. This quantitative climate scenario analysis assessed our exposure against three scenarios across three timeframes, enhancing our understanding of potential future impacts. The physical risk review focused on site-level exposure to extreme weather and heat, while the transition risk analysis addressed market, technology, and policy shifts, particularly relating to the shift toward low- and zero-emissions vehicles. In preparation for ASRS disclosures, we are advancing our climate resilience assessment, which will directly inform our long-term strategic planning.

## Metrics and targets

Bapcor continues to calculate and monitor our Scope 1 and 2 emissions annually. Scope 3 emissions analysis has expanded this year, with deeper screening of upstream emissions categories and engagement with logistics providers – now enabling access to emissions dashboards and improved data quality. In FY25, Bapcor also undertook a pre-assurance process on selected emissions datasets to support the accuracy and credibility of future reporting.

We will continue to improve and refine metrics and targets to provide transparent and accurate disclosures to relevant stakeholders. Our current GHG emissions metrics and targets are included in Table 4. For more detailed information on our emission metrics and targets, please refer to the section [Emissions Reduction Targets](#).

**Table 4: Summary of Bapcor climate-related metrics and targets**

Scope	Metrics	Targets	Time period
Scope 1 GHG emissions	Scope 1 emissions reduction (tCO <sub>2</sub> e)	Scope 1 and 2 reductions by 40%.	By 2030 from FY23 baseline
Scope 2 GHG emissions	Scope 2 emissions reduction (tCO <sub>2</sub> e)	Scope 1 and 2 reductions by 50%. Recoding Scope 2 by location and market.	By 2033 from FY23 baseline
Energy	% of renewable energy used	Identify and action energy reduction opportunities including energy efficiency and behaviour change, as well as opportunities for renewable energy.	FY25 and beyond
Fleet	% fleet vehicle transition	Assess and achieve fuel reduction via interventions to fleet requirement, vehicle type, and efficiency, as well as transport optimisation.	FY25 and beyond

## ► Looking ahead

As we move into FY26, our focus is shifting from planning to implementation. The foundational work completed this year, including the development of our decarbonisation strategy, climate scenario analysis

and expanded emissions screening, positions Bapcor to take the next step in reducing our emissions and preparing for future mandatory climate disclosure requirements.

## Sustainable packaging

### Why sustainable packaging matters to Bapcor

Bapcor is committed to establishing a robust sustainable packaging program that includes effective design, labelling and processing of our product packages. Our belief is that it's the right thing to do, while also aligning with Australia's evolving regulatory landscape regarding packaging reforms. Our momentum continues to build as we refine our approach to ensure our packaging is designed for recovery, recycling, and reuse to support a circular economy. Beyond regulatory requirements, focusing on this topic enhances our product quality and brand, delivering a superior customer experience. By integrating sustainable practices, we aim to reduce environmental impact while strengthening our market position in anticipation of stricter national standards, including potential mandatory design standards and bans on problematic materials.

### Our approach

Through our commitment to Australian Packaging Covenant Organisation (APCO)'s Sustainable Packaging Guidelines (SPG), this reporting period we maintained our 'Advanced' rating for our tangible actions and continued efforts in this space. To support our approach, we continue to be guided by our Sustainable Packaging Framework (see Figure 5).

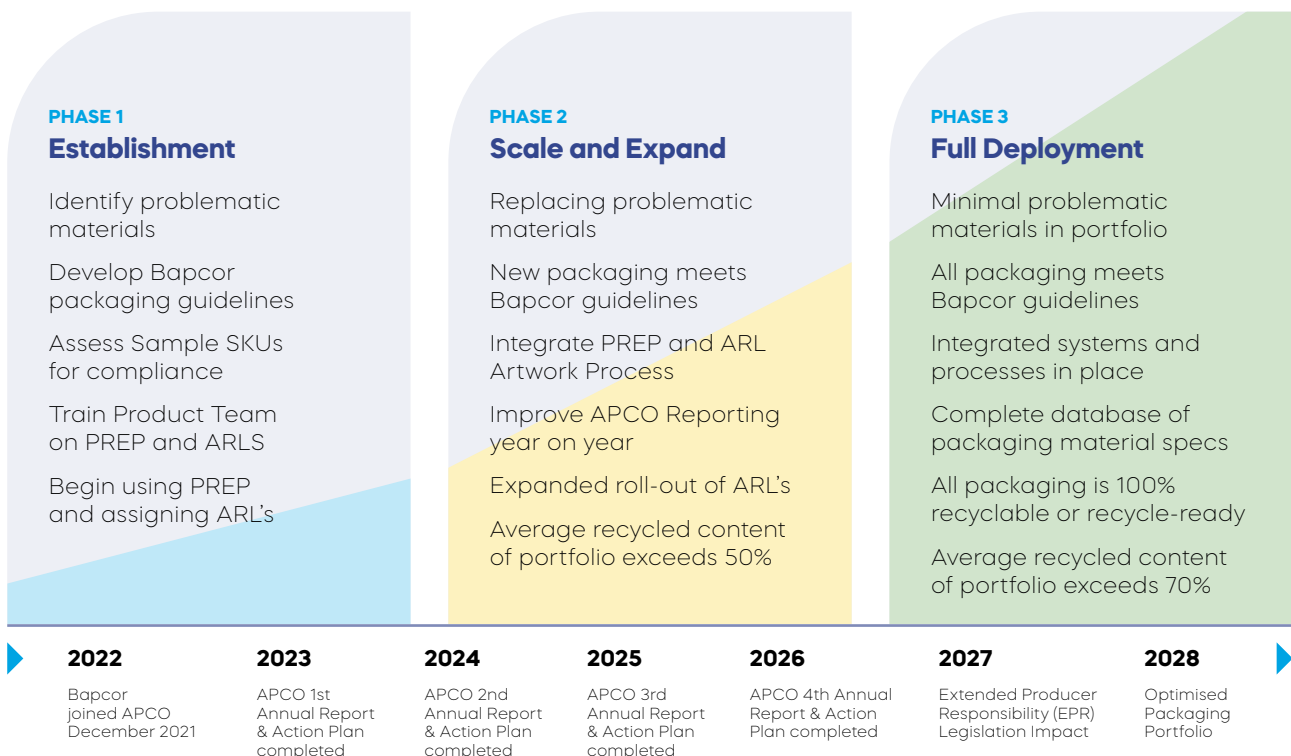
The framework is underpinned by three focus areas:

1. Continuous improvement of data collection and reporting on our packaging.
2. Identify and replace problematic materials.
3. Develop a brand-led packaging design process that combines artwork and the practicality of including Australasian Recycling Labels (ARLs) across all items, ensuring packaging is directed to the correct recycling streams.

We are currently in phase 2 of our framework, 'Scale and Expand', with a significant focus on increasing data collection across the business to take a more global approach to how we manage our packaging.

**Figure 5: Sustainable Packaging Framework**

A framework for Bapcor's sustainable packaging that leads to an optimised packaging portfolio.





Moulded pulp and fibre-based



#### CASE STUDY

## Substituting expanded polystyrene

Eliminating problematic, non-recyclable materials such as PVC and expanded polystyrene (EPS) has been a priority this year. A notable success is our commitment to replace EPS packaging with moulded pulp and fibre-based solutions. A good example here is our brake rotor range under the RoadVision brand. This initiative reduces waste volume and simplifies recycling for both households and commercial partners.

### What we're working on

A key achievement this year was ramping up our program to complete over 350 Packaging Recycling Evaluations (PREPs). This verification tool allows us to identify which packages are recyclable in Australian and New Zealand kerbside collections. This process is essential to ensure the accuracy of our reporting and compliance with APCO and reporting regulations. We will continue to scale these evaluations across the business and consider end-of-life management to ensure our packaging can be recycled wherever possible.

### ► Looking ahead

Building on our improved understanding of where problematic materials emerge from within our business, in FY26 we will continue to focus on eliminating and replacing these problematic materials and gathering further data. A greater focus on sustainable packaging across the business will encourage cross-collaborations among our teams as we consider how the brand is presented on customer-facing products.



## Waste management

### Why waste management matters to Bapcor

Effective waste management is a key focus for Bapcor to ensure we are reducing our environmental impact and associated costs. By prioritising waste diversion and recycling, we aim to minimise landfill contributions.

### How we manage our waste

This year, Bapcor's Australian operations achieved a 55% waste diversion from landfill – up from 53% in FY24. During this reporting period, availability of waste data for our New Zealand operations improved – enabling us to report a 44% diversion rate in FY25 (with targets for that jurisdiction to follow). These diversion rates were achieved based on 5,397 total tonnes of waste generated across Australia and New Zealand operations. We remain committed to improving our approach to reducing waste going to landfill year-on-year.

Our focus for FY25 has been improving our data collection and accuracy at key facilities to improve our understanding of how much waste is being generated and as a result, how this can be reduced. To support this effort, we have implemented quarterly business reviews with our waste provider, where possible, moving from estimates to real-time weight data for more accurate tracking of waste streams across our operations.

### Key initiatives

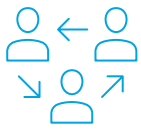
In FY25, we diverted 189,883 kgs of batteries from landfill in Australia through our Used Lead Acid Battery (ULAB) recycling program. Over the past 12 months, we've expanded the program across our retail stores, introducing more collection points to increase accessibility for our customers. We're committed to growing this initiative further, partnering with certified recyclers to manage the end-of-life process and minimise our overall waste. We are currently consolidating our battery recycling providers in New Zealand and will be able to report on recycling in future reports.

Additional efforts that have contributed to waste diversion include the expansion of soft plastics recycling to our largest DCs in the Melbourne Airport Business Park, Redbank, and Welshpool. We conducted an internal audit of waste generated at our Mount Waverley support office to better understand current waste management practices and identify areas for improvement. Consequently, we reinstated our composting program, improved labelling, and removed over 60 under-desk bins. With approximately 500 team members at our support office in Melbourne, these incremental changes help reduce our overall waste.

### ▶ Looking ahead

Bapcor is committed to advancing waste management in FY26 through continued efforts in this space. We are currently investigating a glycine recycling pilot at one of our DCs, aimed at reducing waste generated from sticker backings and taping to pack and sort items.

In addition, we are looking at strapping recycling options. These initiatives are targeting sustained improvements in waste diversion for Bapcor, while ensuring cost efficiencies for the business.



# Our Team Members

Bapcor is committed to creating a safe and inclusive workplace where our team can thrive. The safety and wellbeing of our team is our highest priority, and we continue to refine our approach to proactive risk prevention, training and support to keep our team safe. Our Diversity, Equity and Inclusion Strategy continues to guide our activity in this space, ensuring team members feel welcome and supported in their roles.



GOAL	KEY INITIATIVES	KEY MEASURES	SDGs
Continually improve our systems to reduce <b>health, safety and wellbeing</b> risks and optimise performance.	<ul style="list-style-type: none"> <li>• HSW program.</li> <li>• Injury prevention.</li> <li>• Injury management.</li> <li>• Capability and partnership.</li> </ul>	<b>Total Recordable Injury Frequency Rate:</b> TRIFR vs industry benchmark; vs past years.	 
Build a <b>diverse workforce</b> representative of the communities we operate in; we aim to achieve this by first creating an <b>inclusive environment</b> and improving our <b>gender balance</b> .	<ul style="list-style-type: none"> <li>• Female representation.</li> <li>• Women in leadership.</li> <li>• Pay Equity.</li> </ul>	<b>Female team members:</b> percentage of female team members.  <b>Females in senior leadership:</b> percentage of GLT and direct reports that are female.	 
Achieve a positive and open <b>culture</b> through improvements to <b>employee engagement and development</b> .	<ul style="list-style-type: none"> <li>• Employee engagement score.</li> <li>• Staff retention.</li> <li>• Learning and Development framework.</li> </ul>	<b>Employee engagement:</b> year-on-year change in employee engagement score.	



## CASE STUDIES

### AI-powered safety pilot

To support safer work sites, we have partnered with Inviol, a New Zealand based company that harnesses AI to monitor video feeds to identify and reduce the risk of injury. A pilot of this AI-powered CCTV interface has been rolled out across three of our largest DCs in Victoria. This system identifies high-risk interactions between people and forklifts within a 3-meter radius, triggering alerts for warehouse managers. These alerts prompt coaching conversations on safe behaviour at our sites, fostering a culture of learning and awareness. The pilot has received positive feedback, particularly in New Zealand, where it has reduced the rate of risky interactions.



### Introduction of safety knives

Following a review of injury data, Bapcor identified knife-related injuries as a concern due to the way exposed blade tools were being used in our warehouses. In FY25, we trialled the use of concealed-blade safety knives across all sites to reduce injury rates.

After testing various options, we sourced a cost-effective, high-quality knife that minimises the risk of cuts. This initiative is being implemented across the Group receiving positive feedback, suggesting a potential reduction in knife-related incidents that have historically caused injuries among our teams. We will continue to monitor the use of these safety knives against injury frequency reports.

## Health, safety, and wellbeing

### Why Health, safety, and wellbeing matter to Bapcor

Our commitment to health, safety, and wellbeing seeks to ensure all team members across our sites in Australia, New Zealand and Thailand can work in a safe and supportive environment and return home safely. This focus is integral to our operations, creating a workplace where people feel valued, supported, and safe.

### Our approach

This year, we reviewed our approach to understand how we can proactively manage risks and incidents. We continue to utilise the Donesafe management system to monitor daily activity and report health and safety incidents. While the team actively engage with this system, we have recognised there is room to improve the quality of inputs. We are working to streamline this reporting approach to reduce administrative burden and improve data quality.

In FY25, we have prioritised our early intervention and return-to-work programs by partnering with Cogent Thinking, a company that specialises in preventing and managing workplace injury and illness. Our dedicated return-to-work coordinator works closely with Cogent Thinking to improve these outcomes by tracking claims and providing access to allied health professionals to support safe and timely return to work processes.

In FY25, we achieved an 8.7 Total Recordable Incident Frequency Rate (TRIFR), a decrease from 15.41 in FY24. This reduction was due in part to the change in our Total Recordable Injury (TRI) definition to align with industry standards and processes implemented to improve data quality. Alongside this update, an increased focus on the safety program and embedding an Early Intervention Initiative across the business has also contributed to the reduced rate. The TRIFR of 8.7 will be treated as our new baseline measure that we intend to continue to improve upon through our safety initiatives.

### What we're working on

To manage health and safety more effectively, we are in the process of launching our new Critical Risk Program that identifies the most common cause of incidents across the Group. Once identified, we will implement a firm approach across the business for each risk to reduce their frequency.

## ► Looking ahead

Bapcor is committed to continuous improvements in health, safety, and wellbeing in FY26 with a focus on key initiatives including the implementation of our proposed, 'Golden Rules of Safety', as well as a new induction program will introduce our teams to critical safety protocols, ensuring alignment with our risk management priorities from day one.

## Diversity, equity and inclusion strategy

### Why diversity, equity, and inclusion matter to Bapcor

We recognise our role in fostering a workplace and an industry where everyone feels welcomed. This approach contributes to talent attraction and retention, enabling us to provide a higher quality customer service.

### How we manage diversity, equity, and inclusion

We continue to refine our DE&I strategy (Figure 6) to guide our approach, setting out our vision, aspirations, and key pillars to support improvements in this area.

Despite challenges across the industry, we have focused our efforts on creating an inclusive environment and increasing the number of females in people leader positions. We expect this to impact diversity and inclusion in the long term as managers set the culture and make hiring decisions. We have already seen progress from these efforts, with our female representation across the Group increasing from 28% (at the end of FY24) to 29% (at the end of FY25).

### Our progress

This year, we formally launched our AAAA Women's Steering Committee in collaboration with several key peers and independent businesses as part of an industry-wide effort to strengthen and promote gender diversity. Through this committee, we have begun hosting networking circles for women in the industry, with the objective of building female community and support.

We have also launched a Group-wide e-learning module on inclusion and unconscious bias, encouraging a more inclusive workplace culture.

Our DE&I calendar was established to celebrate key moments such as Inclusion Week and International Women's Day, promoting awareness and fostering an inclusive culture across the business.

Figure 6: Bapcor's DE&I Strategy

## BE THERE FOR WHAT MATTERS MOST

**Bapcor Vision:** Our ambition is to be Asia Pacific's most-trusted and leading provider of vehicle parts, accessories, equipment, service and solutions.

**DEI Aspiration:** Our team members matter most. We're building a diverse workplace where we value the uniqueness of all team members, where everyone feels like they belong.



**Lay the Foundation**



**Accountable and Invested Leaders**



**Building Belonging**



**Lead the Industry**

### Gender pay gap and flexible work policy

A core part of our strategy is striving to achieve equal opportunities and outcomes for all team members. One measurement is the Federal Government's Workplace Gender Equality Agency (WGEA).

WGEA calculates the gender pay gap for companies with more than 100 employees every year. Bapcor's overall gender pay gap narrowed from 11.4% in 2023 to 8.6% in 2024.

Bapcor also updated its flexible work policy in recognition that team members have different circumstances outside of work. The policy offers various options to help balance individual needs with our business needs, as well as building team connections and evolving our workplace culture.

These options include:

- Staggered start and finish times;
- Flexibility in rostering hours;
- Part time roles; and
- Working from home arrangements.

## ► Looking ahead

In FY26, we will look to refine our DE&I framework by focusing on aligning our business and industry needs. We will continue to review our talent acquisition model to prioritise inclusive hiring, while also deepening our involvement in the AAAA Women's Steering Committee.

## Employee engagement

### Why employee engagement matters to Bapcor

Gaining a clear understanding of engagement across the Group is essential to highlight opportunities in our current approach and make changes where required to improve retention and build confidence in our strategic vision. By investing in engagement initiatives, we aim to create a workplace where people feel valued, empowered, and inspired to build their careers with Bapcor.

### How we manage employee engagement

This year, we prioritised improving our understanding of the current employee engagement rate by launching a comprehensive employee engagement survey supported by Culture Amp. This has enabled us to establish a baseline employee engagement score of 52%.

Qualitative feedback from the survey helped us identify opportunities to improve our team members' experience. For instance, a key insight across our teams was a desire for greater clarity on the overall business strategy and priority areas, alongside

greater leadership visibility. To address this feedback, Town Halls presented by the CEO and senior leadership have supported ongoing conversations with team members regarding progress of Bapcor's strategy, in addition to the launch of our strategy roadshows.

### Launching our strategy roadshows

Following the release of our five-year business strategy at the end of April, the GLT presented at a three-week long strategy roadshow for team members across Australia and New Zealand. The objective was to connect with our wider teams and share the strategy to increase team member engagement with the GLT. Our CEO and GLT visited 29 locations across Australia and New Zealand, engaging over 1,300 team members. These sessions had significant reach, connecting colleagues from across the Group.

### What we're working on

Career development is a key focus for Bapcor as we aim to identify and nurture career paths for our current team members. We are conducting training for managers across the business to have effective development conversations with their teams to understand the next step in their career at Bapcor. By defining clear career paths for team members and encouraging next steps, we aim to engage and retain team members, while improving their capability.

Our approach to these discussions emphasises the shared responsibility of career development, encouraging team members to also take ownership of their development and growth with support from Bapcor.

## ► Looking ahead

We have established a formal Learning and Development (L&D) framework, with dedicated investment to enhance leadership skills and support career progression. As part of this framework, we are finalising the design of our new People Manager Training program, developed in partnership with Deakin University. This training will be available to select store and frontline managers in FY26, enhancing leadership capabilities across the business.

We will continue to conduct an annual engagement survey, supported by regular pulse surveys to monitor sentiment across the Group, seek feedback and understand the progress of engagement initiatives throughout the year.

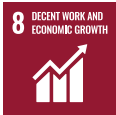



Following the success of our strategy roadshows, we will continue to engage with our team members throughout the year on strategic developments. Communication and transparency will be prioritised to ensure our teams have a clear understanding of Bapcor's vision and the role they play in this.



# Our Communities

Bapcor is committed to creating positive and lasting impact in the communities where we operate, by building trust and delivering on our commitments to local communities. In FY25, we launched a customer focused business strategy and moving forward we will introduce a Net Promoter Score (NPS) to better understand customer sentiment and strengthen our engagement strategy. We continued to invest in programs that create meaningful opportunities, guided by the Business for Societal Impact (B4SI) framework to measure and manage our social impact with greater accuracy and accountability.



GOAL	KEY INITIATIVES	KEY MEASURES	SDGs
Commit to contributing positive impacts to our <b>communities</b> and continuing to measure our social impact through the B4SI framework.	<ul style="list-style-type: none"><li>Application of B4SI framework for impact measurement.</li></ul>	<b>Community investment:</b> total value of community investment, comprising cash, time, in-kind and management costs.	 
Improve our service to deliver greater value for <b>customers</b> , meet customer demand and improve the overall customer experience.	<ul style="list-style-type: none"><li>Customer sentiment.</li></ul>	<b>Customer loyalty:</b> establish Net Promoter Score (NPS) and NPS baseline.	 

## Customer sentiment

### Why customer sentiment matters to Bapcor

As part of our strategic imperative to build our customer focus, we've committed to doing more when it comes to listening, responding, and delivering for our customers. Moving forward, we will focus more clearly on integrating a customer lens across all teams and ensuring that the voice of our customers informs strategic and operational decisions.

### Introduction of a Net Promoter Score

A cornerstone of this shift will be the launch of a standardised Net Promoter Score (NPS) program across all business units. Moving forward Bapcor will have implemented a consistent and measurable approach to customer sentiment. The score will lay the foundation for establishing a Group-wide NPS baseline to allow us to set targets and track performance over time.

With a baseline being established at the start of FY26, we will have taken the first steps to develop long-term customer experience improvements.

### ► Looking ahead

With a Group-wide NPS baseline being established in FY26 our future focus will centre on building maturity across the program. This includes increasing the consistency and regularity of customer feedback collection, setting improvement targets, and using insights to inform decision-making.

The customer centricity function will continue to support the sharing of feedback across teams and ensure insights are used to guide strategic initiatives. As systems mature and the program expands, NPS and customer sentiment will become increasingly integrated into how Bapcor measures success and delivers value to its customers.

## Social impact measurement

### Why social impact measurement matters to Bapcor

Bapcor is committed to making a positive and lasting contribution to the communities in which we operate. We recognise that our success is closely linked to the wellbeing of our people, customers, and the broader community. As we continue to build momentum in this area, our goal is to create meaningful social outcomes that align with our purpose and industry, ultimately ensuring our contributions deliver value where it's needed most.

## Community investment

This year, we have prioritised refining our data collection methodology and accuracy to reveal our current social impact efforts. We have continued our partnership with Business for Societal Impact (B4SI), which will help us in creating a more robust and accountable approach to reporting on our initiatives. While Bapcor does not yet have a formal social impact strategy, gaining a holistic view of our current state provides a solid foundation.

Using the B4SI standard, we track community investment across direct cash donations, product donations, and team member volunteering hours. In FY25, our community investment came to \$305K from a combination of these financing methods, including 515 volunteering hours contributed by our Bapcor team members, leveraging \$62K in value from our employees' donations and contributions. See Figure 7 and 8 for a detailed breakdown of investment spend and the causes we contribute to. This figure represents contributions that directly benefit our communities. Costs associated with commercial sponsorships or marketing campaigns are not included, in line with B4SI methodology.

Figure 7: Community investment spend

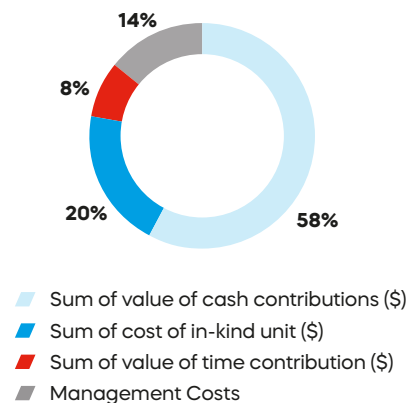
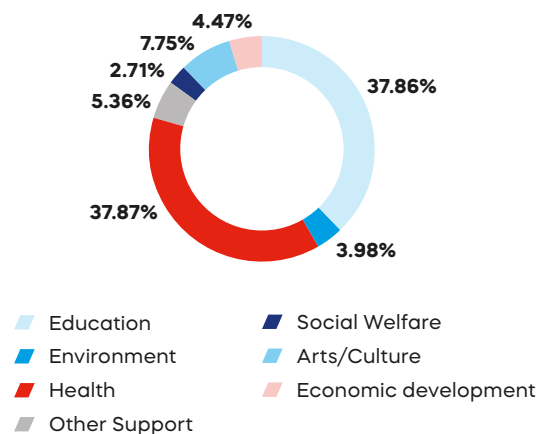


Figure 8: Community investment spend, by cause







## CASE STUDY

# Bapcor NZ supporting tomorrow's technicians

A key initiative in New Zealand is our partnership with The Auto Super Shoppes Academy (Academy), established in 2017 to address the shortage of skilled mechanics in New Zealand.

Since the launch, Bapcor has partnered with the Academy to support sustainable career pathways for young New Zealanders in the automotive industry.

The partnership continues to expand and since July 2022, we have been the exclusive sponsor of the Academy's 12-week, NZQA-accredited Automotive Pre-Trade Course. The course offers 40 credits toward apprenticeships, weekly work experience, and employment support.

We also fund a student loan scheme, provide tools and equipment upgrades, and award each of the graduates a Jonnesway toolkit. Students also gain practical work experience at BNT and HCB branches, preparing them for future work in the industry. Most graduates secure full-time roles upon completing the program, with approximately 50% at our Auto Super Shoppes and 50% through the wider automotive repairer network.

This program has been highly successful, with 234 graduates to date.

## ► Looking ahead

In FY26, we will continue applying the B4SI framework, while also reviewing how our efforts can be better targeted, tracked, and communicated.

This includes enhancing data collection, clarifying roles and responsibilities across the business, and using insights to guide future direction. Bapcor recognises that its

community investment program is still in the early stages of maturity. While we've taken important foundational steps, we are aware that there is more work to be done to ensure our contributions are strategic, consistent, and directed to where they can have the greatest impact.

# Glossary

Term	Description
<b>Australian Automotive Aftermarket Association (AAAA)</b>	The national industry association that represents the full supply chain of the Australian automotive market which includes car component manufacturers, wholesalers and distributors of accessories and replacement parts and independent auto service and repair workshops.
<b>Australian Packaging Covenant Organisation (APCO)</b>	Not-for-profit organisation in Australia leading the development of a circular economy for packaging.
<b>Greenhouse gas (GHG) emissions</b>	Gases that tend to trap heat radiating from the earth's surface, thus causing warming in the lower atmosphere, such as carbon dioxide (CO <sub>2</sub> ) and methane (CH <sub>4</sub> ).
<b>Intergovernmental Panel on Climate Change (IPCC)</b>	The IPCC is an intergovernmental body of the United Nations and has a key role in advancing scientific research into the human causes of climate change and their impacts. The IPCC routinely releases assessment reports that are highly regarded as robust, thorough and authoritative sources of the most recent literature on the impacts of climate change.
<b>Modern Slavery Act 2018 (Cth)</b>	<i>Modern Slavery Act 2018</i> (Commonwealth Act) requires Australian entities or carry on businesses in Australia with a minimum annual consolidated revenue of \$100 million to report under the Commonwealth Act their risk of modern slavery in their operations and supply chains and actions to address those risks, and for related purposes through a modern slavery statement.
<b>Net zero (absolute emissions)</b>	Achieving an overall balance between greenhouse gas emissions produced and greenhouse gas emissions taken out of the atmosphere.
<b>Task force for Climate-related Financial Disclosures (TCFD)</b>	Created in 2015 by the Financial Stability Board to guide the development of climate-related financial risk disclosures for companies, banks and investors in providing information to stakeholders.
<b>ASRS (Australian Sustainability Reporting Standards)</b>	Finalised by the Australian Accounting Standards Board (AASB) in September 2024, sets requirements for sustainability-related financial disclosures and climate-related disclosures, respectively, effective from January 2025. They include two main standards; AASB S1 – a voluntary standard that allows entities to report on sustainability topics beyond climate-related issues and AASB S2 a mandatory standard that requires entities to disclose information about climate-related risks and opportunities that could impact their financial performance.

# Supplementary Data

## GRI Content Index

*Statement of use:* Bapcor has reported the information cited in this GRI content index for the period 1 July 2024 to 30 June 2025 with reference to the GRI Standards.

GRI Standard	Disclosure	Location	Page
<b>GRI 1 used</b>	GRI 1: Foundation 2021		
<b>GRI 2: General Disclosures 2021</b>	2-1 Organisational details	About this Report	01
	2-2 Entities included in the organisation's sustainability reporting	About Us	06
	2-3 Reporting period, frequency and contact point	About this Report	01
		Contact point	44
	2-6 Activities, value chain and other business relationships	About Us	06
	2-22 Statement on sustainable development strategy	CEO message	05
	2-9 Governance structure and composition	Governance	10
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance	10
	2-14 Role of the highest governance body in sustainability reporting	Governance	10
	2-23 Policy commitments	Governance	10
	2-29 Approach to stakeholder engagement	Stakeholder Engagement	11
<b>GRI 3: Material Topics 2021</b>	3-1 Process to determine material topics	Refreshed ESG Strategy and Strategic Framework	09
<b>Our Governance</b>			
Ethical operations			
<b>GRI 205: Anti-Corruption 2016</b>	205-2 Communication and training about anti-corruption policies and procedures	Ethical operations	13
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Ethical operations	13
Data privacy and cybersecurity			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Data privacy and cybersecurity	14
<b>GRI 418: Customer Privacy 2016</b>	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data privacy and cybersecurity	14

## GRI Content Index (continued)

GRI Standard	Disclosure	Location	Page
<b>Our Supply Chain</b>			
Supply chain optimisation			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Supply chain optimisation	16
Modern Slavery risk mitigation			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Modern Slavery risk mitigation	17
<b>GRI 412: Human Rights Assessment 2016</b>	412-2 Employee trainings on human rights policies or procedures	Modern Slavery risk mitigation	17
<b>Our Environment</b>			
Emissions reduction targets			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Emissions reduction targets	20
<b>GRI 302: Energy 2016</b>	302-1 Energy consumption within the organisation	Emissions reduction targets	20
<b>GRI 305: Emissions 2016</b>	305-1 Direct (Scope 1) GHG emissions	Emissions reduction targets	20
	305-2 Energy indirect (Scope 2) GHG emissions	Emissions reduction targets	20
	305-3 Other indirect (Scope 3) GHG emissions	Emissions reduction targets	21
	305-5 Reduction of GHG emissions	Emissions reduction targets	21
Climate strategy			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Climate Strategy	23
Sustainable packaging			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Sustainable packaging	24
<b>GRI 301: Materials 2016</b>	301-3 Reclaimed products and their packaging materials	Sustainable packaging	25

## GRI Content Index (continued)

GRI Standard	Disclosure	Location	Page
<b>Our Environment (continued)</b>			
Waste management			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Waste management	26
<b>GRI 306: Waste 2020</b>	306-1 Waste generation and significant waste-related impacts	Waste management	26
	306-2 Management of significant waste-related impacts	Waste management	26
	306-3 Waste generated	Waste management	26
	306-4 Waste diverted from disposal	Waste management	26
<b>Our Team Members</b>			
Health, safety and wellbeing			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Health, safety and wellbeing	28
<b>GRI 403: Occupational Health and Safety 2018</b>	403-1 Occupational health and safety management system	Health, safety and wellbeing	28
	403-2 Hazard identification, risk assessment, and incident investigation	Health, safety and wellbeing	28
	403-3 Occupational health services	Health, safety and wellbeing	28
	403-5 Worker training on occupational health and safety	Health, safety and wellbeing	28
	403-6 Promotion of worker health	Health, safety and wellbeing	28
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, safety and wellbeing	28
	403-8 Workers covered by an occupational health and safety management system	Health, safety and wellbeing	28
	403-9 Work-related injuries	Health, safety and wellbeing	44



## GRI Content Index (continued)

GRI Standard	Disclosure	Location	Page
<b>Our Team Members (continued)</b>			
Diversity, equity and inclusion strategy			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Diversity, equity and inclusion strategy	29
<b>GRI 405: Diversity and Equal Opportunity 2016</b>	405-1 Diversity of governance bodies and employees	Diversity, equity and inclusion strategy	44
Employee engagement			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Employee engagement	30
<b>GRI 404: Training and Education 2016</b>	404-2 Programs for upgrading employee skills and transition assistance programs	Employee engagement	30
<b>Our Communities</b>			
Customer sentiment			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Customer sentiment	32
Social impact measurement			
<b>GRI 3: Material Topics 2021</b>	3-3 Management of material topics	Social impact measurement	32
<b>GRI 413: Local Communities 2016</b>	413-1 Operations with local community engagement, impact assessments, and development programs	Social impact measurement	32

## TCFD Index

TCFD theme	Disclosures	Location in report
<b>Governance</b>	a) Describe the board's oversight of climate-related risks and opportunities.	10, 22
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	22-23
<b>Strategy</b>	a) Describe the climate-related risks and opportunities the organisation has identified over the short-, medium-, and long-term.	22-23, 40-43
	b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	22-23, 40-43
	c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	22-23
<b>Risk management</b>	a) Describe the organisation's processes for identifying and assessing climate-related risks.	23
	b) Describe the organisation's processes for managing climate-related risks.	23
	c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	23
<b>Metrics and targets</b>	a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	23
	b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.	20-21
	c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	23

## TCFD Risks and Opportunities – detailed description

**Table A1**

Detailed descriptions of the climate-related risks (R) and opportunities (O) potentially impacting Bapcor. Timeframe indicates when the risk/opportunity will likely start to impact Bapcor for short (next five years), medium (five to 10 years) and/or long (10+ years) term periods. Bapcor's response summarises key high-level activities to reduce the climate risks/grow opportunities. Risks shaded green have been classified as priority risks/opportunities.

Risk/opportunity	Potential financial impacts and implications	Timeframe <sup>5</sup>	Bapcor's response <sup>6</sup>
<b>Physical</b>			
Acute			
<b>PRIORITY RISK</b> Increases in the severity and frequency of extreme weather events	<ul style="list-style-type: none"> <li>Increases in capital, operational costs and insurance premiums associated with increases in physical damages of assets (e.g., fleet, buildings).</li> <li>Financial losses due to business disruptions, and reduced productivity related to limited access to sites and roads, product and vehicle damage, management of weather event consequences and migration of hazardous materials/waste off site.</li> <li>Increasing supply chain disruptions and/or delays, such as delivery process and schedule for import (e.g., power supply, road closures).</li> <li>Threat to the safety of team members, on site and during commute to/from work that may be compounded by extreme weather events.</li> </ul>	Short to long term	<ul style="list-style-type: none"> <li>Geographic diversity of operations.</li> <li>Site selection process considering climate.</li> <li>Resilience assessment.</li> <li>Emergency Preparedness and Response Procedure and Plans.</li> <li>Safety software.</li> <li>Crisis and business continuity arrangements.</li> </ul>
<b>RISK</b> Storm surge and coastal hazards impacting assets and workforce	<ul style="list-style-type: none"> <li>Financial losses due to damaged coastal infrastructure and sites.</li> <li>Increased costs associated with marine logistics and port-related delays and disruptions.</li> <li>Threat to the safety of team members, on site and during commute.</li> </ul>	Medium to long term	<ul style="list-style-type: none"> <li>Geographic diversity of operations.</li> <li>Site selection process considering climate.</li> </ul>

## TCFD Risks and Opportunities – detailed description (continued)

Risk/opportunity	Potential financial impacts and implications	Timeframe <sup>5</sup>	Bapcor's response <sup>6</sup>
<b>Physical (continued)</b>			
Acute and Chronic			
<b>RISK</b> Long-term temperature rise, drought, and extreme heat	<ul style="list-style-type: none"> <li>Operational costs increase (e.g., energy costs).</li> <li>Financial costs related to loss of labour productivity and threat to team members' health.</li> <li>Water crisis causing increased prices on water supply and water use restrictions/limitations.</li> </ul>	Short to long term	<ul style="list-style-type: none"> <li>Automotive and retail industry standards on emergency response, health and safety.</li> <li>Initiatives on energy efficiency.</li> </ul>
<b>Transition</b>			
Policy and Legal			
<b>RISK</b> Responding to regulatory requirements, and transition to low carbon transport	<ul style="list-style-type: none"> <li>Increased operating costs and additional fees arising from the need to align with emerging regulation and reporting requirements related to climate change and decarbonisation, including the need for Bapcor GHG emissions reduction.</li> <li>Increased operating and capital costs arising from adjustment to transitioning to low carbon transport, including upskilling, service line change, increased fossil fuel prices and additional fees on internal combustion engine (ICE) vehicles.</li> <li>Increased supply chain costs associated with emerging climate regulation and requirements.</li> </ul>	Short to long term	<ul style="list-style-type: none"> <li>Proactive engagement with internal and external experts regarding upcoming legislation and requirements.</li> <li>GHG emissions targets and decarbonisation strategy work underway.</li> <li>Research of current trends in automotive market and legislation with consideration of potential impacts on Bapcor.</li> </ul>
<b>OPPORTUNITY</b> Increased regulatory support for EVs based on the EV and emissions reduction strategies	<ul style="list-style-type: none"> <li>Additional sources of revenue and financial opportunities due to expansion of new energy vehicles supported by the government.</li> </ul>	Short to long term	

## TCFD Risks and Opportunities – detailed description (continued)

Risk/opportunity	Potential financial impacts and implications	Timeframe <sup>5</sup>	Bapcor's response <sup>6</sup>
<b>Transition (continued)</b>			
Market			
<b>PRIORITY RISK</b> Market and consumer preferences change as the transition to low-carbon transport and relevant services accelerate	<ul style="list-style-type: none"> <li>Operational costs increase due to adjustment to market change including need for upskilling and search for new partnerships.</li> <li>Increased operational costs and revenue loss associated with stranded auto parts followed by over stock, inability to meet consumers'</li> </ul>	Medium to long term	<ul style="list-style-type: none"> <li>Research into products and market demand, including new energy vehicles use.</li> <li>Consideration of business operations diversification and different approach to products and services provided.</li> </ul>
<b>PRIORITY OPPORTUNITY</b> New markets in low carbon transport and relevant services	<ul style="list-style-type: none"> <li>Additional revenue sources and other opportunities related to market change to new energy vehicles, and circular approach implementation.</li> </ul>	Short to medium term	
Technology			
<b>RISK</b> Supply chain innovation and partnerships reduce Scope 3 emissions	<ul style="list-style-type: none"> <li>Supply chain technology improvements followed by the impacts on operational and supply chain costs, including costs related to Scope 3 emissions reduction.</li> </ul>	Medium term	<ul style="list-style-type: none"> <li>Consideration of technology-based initiatives affecting overall supply chain and Scope 3 emissions.</li> </ul>
<b>OPPORTUNITY</b> Increased efficiency through automation and technology, optimised energy cost with renewable energy	<ul style="list-style-type: none"> <li>Costs and resources optimisation due to new technology and automation implementation.</li> <li>Energy costs and resources optimisation due to energy efficiency improvement, reducing reliability on external energy resources via implementing renewable energy on site.</li> <li>Reducing fleet-related operating costs through fleet transition to new energy vehicles.</li> </ul>	Short to medium term	<ul style="list-style-type: none"> <li>Implementation of renewable energy generation on sites, energy efficiency, digitalisation, and automation initiatives within the organisation.</li> <li>Initiatives related to renewable energy and fleet transition new energy vehicles.</li> </ul>



## TCFD Risks and Opportunities – detailed description (continued)

Risk/opportunity	Potential financial impacts and implications	Timeframe <sup>5</sup>	Bapcor's response <sup>6</sup>
<b>Transition (continued)</b>			
Reputation			
<b>RISK</b> Decrease in talent retention and attraction	<ul style="list-style-type: none"> <li>The lack of proactivity in internal and external communication leading to talent retention and attraction issues, and decreased business partnership opportunities.</li> </ul>	Medium term	<ul style="list-style-type: none"> <li>Incorporate climate risks and opportunities into business strategy, including development of climate communication plans and fulfilling reporting requirements.</li> </ul>
<b>RISK AND OPPORTUNITY</b> Requirement for value chain emissions reporting	<ul style="list-style-type: none"> <li>The lack of proactivity and readiness to meet stakeholders' changing demand and expectations leading to reputation shifts and, consequently, impact on financial metrics.</li> </ul>	Medium term	<ul style="list-style-type: none"> <li>Ongoing communication and engagement with the stakeholders, including investors, business partners and customers.</li> <li>Climate-related reporting and communication initiatives underway, including Scope 3 management plans.</li> </ul>

## Health, Safety and Wellbeing – data tables

**Table A2: Health, Safety and Wellbeing Performance**

Lead indicators	FY23	FY24	FY25
First Aid Reports in Donesafe	833	543	550
Hazards Reported in Donesafe	3,275	5,008	5,866
Walk'n'Talks Recorded in Donesafe	3,275	3,889	3,135
% Toolbox Talks Completed	94%	100%	99%
Housekeeping Inspections	N/A	100%	99%
Lag indicators	FY23	FY24	FY25
Lost time injuries	55	62	55
Medical treated injuries	95	105	43
Lost time injuries frequency rate	5.13	5.72	4.9
TRIFR Frequency rate	13.99	15.41	8.7
Compliance training actuals, completion	FY23	FY24	FY25
Safety fundamentals	76%	85%	86%
Safety fundamentals – People Leaders	70%	83%	85%
Edrive	75%	80%	85%
CoR (Chain of Responsibility)	86%	81%	79%

## Diversity, Equity and Inclusion – data tables

**Table A3: Bapcor's gender targets/performance**

Measure	FY23	FY24	FY25	FY26
	Actual	Actual	Actual	Target
Increase the total number of female team members	28	28	29	35
Increase the number of female new hires	32	30	30	40
Increase the number of females who are promoted internally	27	29	28	35
Increase the number of females who are people leaders	16	16	20	25
Increase the number of GLT and their direct reports who are female	30	29*	27	35

\* As outlined in Bapcor's ESG Report for the reporting period ended 30 June 2024, the female representation in Bapcor's workplace in this metric for FY24 was noted as 36%. This figure has now been revised to 29% due to a data classification adjustment.

## Contact

We value your feedback and questions on our approach to ESG: [investorrelations@bapcor.com.au](mailto:investorrelations@bapcor.com.au)

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