



Ethical Supply Chain / Procurement (ESC/P) Policy

Policy No.	BAPCORP020
Effective date:	27 August 2018
Latest Review date:	7 July 2025
Recommended by:	EGM Supply Chain and Procurement
Authorised by:	Executive Chair & Chief Executive Officer

Our Values



We do the right thing...

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



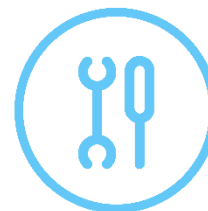
We are in it together...

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



We 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 get it done...

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

1. Introduction

Bapcor Limited, its subsidiaries and related bodies corporate (together **Bapcor**) is committed to conducting our domestic and international operations to the highest standards of integrity.

This Ethical Supply Chain / Procurement Policy (**Policy**) outlines Bapcor's framework for managing supply chain and procurement activities ethically. It articulates Bapcor's commitment towards ensuring our supply partners (and our interactions with them) meet the minimum requirements and expectations.

This Policy supports Bapcor's ESG Strategy, specifically *Our Supply Chain* pillar. Bapcor's commitments include:

- a) Support for the principles within the Universal Declaration on Human Rights, International Labour Organisation (**ILO**) Declaration on Fundamental Principles and Rights at Work, and United Nations (**UN**) Guiding Principles on Business and Human Rights.
- b) Uphold our stance on the respect for human rights and elimination of modern slavery in our operations and supply chain and hold our suppliers to account on their own supply chains.
- c) Provide complaint and grievance mechanisms for team members and the broader community to raise risks or concerns in Bapcor's supply chain and procurement processes.

Effective implementation of this Policy will support our commitments to the United Nations Sustainable Development Goals (**SDGs**) and to Bapcor's objectives for supply chain responsibility.

2. Application

This Policy applies to Bapcor, including officers, team members, contractors and suppliers of products and/or services to Bapcor, including both direct and indirect suppliers.

Bapcor expects all team members, contractors, direct and indirect suppliers to comply with this Policy, in keeping with the standards defined by this Policy. Bapcor also expects that each of its suppliers cascade these requirements to their own supply chains.

3. Policy

3.1 Compliance with Laws

Bapcor expects all supply chain and procurement activities to be conducted in full compliance with all applicable laws and regulations for the countries in which Bapcor, its suppliers and their sources of supply operate. In particular, Bapcor's suppliers must comply with all local laws regarding human rights, health safety and environment.

3.2 Human and Labour Rights

Bapcor's commitments on human and labour rights are guided by the UN Guiding Principles on Business and Human Rights and include the following areas of focus:

a) Modern Slavery and Supply Chain Responsibility

Bapcor is by law, obliged to comply with the *Modern Slavery Act 2018 (Cth)* (the **Modern Slavery Act**).

Bapcor is committed to operating ethically and in compliance with the Modern Slavery Act, and to limit the risk of modern slavery occurring within Bapcor, its supply chain or procurement operations, or in any other business relationships.

Bapcor expects its suppliers to comply with the following with respect to modern slavery:

- Comply with all applicable modern slavery laws and regulations.
- Not use child labour and be able to verify the age of all employees.
- Not use any time of forced, bonded or indentured labour.
- Maintain a workplace free from discrimination, bullying and harassment.
- Ensure fair and legal pay, working hours and conditions for its workers.
- Acknowledge that workers have a right to freedom of association and to collective bargaining.
- Provide all necessary information to satisfy Bapcor that reasonable steps have been taken to reduce risks of a supplier's engagement of modern slavery practices, including completion of the Australian Automotive Aftermarket Association (AAAA) Modern Slavery Questionnaire when required by Bapcor.
- Take reasonable steps to ensure that there is no modern slavery in its supply chains or any party with whom the supplier engages.
- Establish and maintain appropriate processes, oversight, record keeping and reporting procedures with respect to mitigating risks of modern slavery.
- Notify Bapcor as soon as they become aware of any actual or suspected breach of the supplier's obligations to avoid modern slavery or any engagement in activity that may be considered to constitute a form of modern slavery.
- Where reasonably required by Bapcor provide written confirmations with respect to compliance with this Policy and respond to Bapcor's requests for information to allow Bapcor to conduct due diligence on risks of modern slavery in a supplier's supply chain.

b) Health, Safety and Wellbeing

Bapcor expects that its suppliers comply with the health and safety laws applicable to the countries they are operating in.

Bapcor expects its suppliers to:

- Provide a safe and hygienic environment in compliance with local laws, including:
 - Documented management systems to identify and control risk.
 - Reasonable working hours and rest breaks.
 - Access to clean drinking water, sanitation, and rest areas.
 - Provide all appropriate personal protection equipment.
 - Access to emergency exits, fire protection and first aid equipment.
- In the primary language of its workers, provide information, instruction and training on relevant safety procedures including:
 - Emergency evacuation plans and access to fire exits and firefighting and safety equipment.
 - Safe storage, handling and disposal of all chemicals and dangerous substances.
 - Ensure the proper handling of machinery.
- Take all reasonable steps to eliminate work-related injuries.
- Maintain records of health and safety training and accidents and injuries at the workplace.

c) Anti-Bribery and Corruption

Suppliers must ethically engage in all business dealings in their respective supply chains.

We expect our suppliers to:

- Adopt a zero-tolerance approach to bribery, corruption and fraud.
- Conduct their business with integrity and not participate in bribes, facilitation payments, unlawful or improper payments to obtain business or favour.

3.3 Environmental Sustainability

Environmental Sustainability is a core premise of this Policy and more broadly, the overall Bapcor ESG Strategy under *Our Environment* pillar.

Bapcor expects its suppliers to:

- Comply with all specific local laws and meet regulatory requirements relating to the environment.
- Maintain records of compliance with local environmental laws and regulations, including environmental permits and reporting requirements for each of the countries in which they operate.
- Appropriately manage their waste responsibly, and store hazardous materials and waste, including maintaining appropriate plans for dealing with discharges of hazardous waste, and ensuring all disposals of hazardous waste is conducted in a safe manner and seeking to minimize the environmental impact.
- Ensure that relevant staff have been adequately informed and trained about their environmental policies and procedures and any associated environmental management systems to ensure compliance with local laws and mitigation of business operational impacts on the environment.
- Minimise and monitor their impact on the environment where possible through development and execution of environmental impact reduction plan which should include reductions in greenhouse gas (**GHG**) emissions, energy efficiency initiatives, reduction and recycling of natural resources, including water and paper/packaging materials.
- Design products with a view to the lifecycle impact of the product on the environment and seek to ensure designs consider opportunities for the goods and any associated packaging to be reused, reduced or recycled at end of useful life.

3.4 Confirmation from Suppliers of Compliance

Suppliers must ensure that they implement and maintain appropriate policies, practices and documentation to ensure that they participate ethically in the supply chain and can demonstrate compliance with this Policy.

Bapcor's suppliers must take all reasonable steps to ensure that they conduct their business in accordance with this Policy, as well as any applicable laws and regulations or agreements with Bapcor.

Where reasonably required by Bapcor, suppliers must provide evidence of their compliance with this section to support Bapcor's own reporting and compliance obligations, including but not limited to packaging, GHG emissions and human rights.

4. Consequences for non-compliance

4.1 Bapcor Team Members

Breaches of this Policy may be subject to disciplinary action in accordance with Bapcor's Code of Conduct.

4.2 Bapcor Suppliers

Bapcor will proactively seek to confirm compliance of our suppliers to this Policy, including via supplier site visits, questionnaires and third-party audits. Whilst Bapcor's default position will always be to work with suppliers to resolve any compliance matters identified, Bapcor maintain the right to terminate dealings with suppliers that breach this Policy.

5. Implementation and Accountabilities

5.1 Reporting Violations

All Bapcor team members are required to report if:

- a) they become aware of circumstances that may constitute a contravention of this Policy
- b) another team member provides information to them about circumstances that may constitute a contravention of this Policy; or
- c) they receive or become aware of any complaint or allegation made by a supplier, customer, or competitor of Bapcor that this Policy may have been breached.

Conduct outlined above may be raised directly with the 'Speak Up at Bapcor' service as detailed under Bapcor's Whistleblower Policy (which provides for anonymity and confidentiality in respect of a report) or by reporting such conduct to the Executive Chair and Chief Executive Officer, Chief Financial Officer, any member of the Group Leadership Team (**GLT**) or the General Counsel.

Bapcor will investigate all complaints and where that investigation concludes that this Policy may have contravened, Bapcor will consider the appropriate action to take (including reporting such conduct to a regulator).

The Bapcor Whistleblower Policy is available on Core (Bapcor's intranet site) and the Bapcor website.

5.2 Supply Chain Monitoring and Risk Assessment

To ensure the effective implementation of this Policy, Bapcor is committed to continuously monitoring its supply chain to assess and mitigate the risks. We gather supply chain risk information from direct and indirect suppliers through our supplier self-assessment questionnaires and provide feedback to suppliers based on their responses.

Bapcor team members and third parties engaged by Bapcor may also visit suppliers and hold one-to-one meetings, utilising a standard checklist that prompts consideration of whether the supplier has agreed to this Policy.

6. Roles and Responsibilities

This Policy will be reviewed by the EGM Supply Chain and Procurement on a regular basis, no less than every two years, and recommend changes to Bapcor's Executive Chair & Chief Executive Officer to ensuring the appropriateness and effectiveness of this Policy.

7. Related policies, frameworks and other references

Bapcor Values	
Bapcor Code of Conduct	
Bapcor Whistleblower Policy	BAPCORP017
Bapcor Environment, Social and Governance Policy	BAPCORP120
Bapcor Environment, Social and Governance Strategy	
Bapcor Human Rights Policy	BAPCORP023
Bapcor Anti-Bribery, Corruption and Fraud Policy	BAPCORP026
Bapcor Compliance Policy	BAPCORP040
Bapcor Environment, Social and Governance Policy	BAPCORP120
Modern Slavery Act 2018 (Cth)	

8. Version Control

Version	Amendment/s	Date created	Author
0	Establish policy	27 August 2018	GM Procurement
1.0	Update for alignment to revised related policies and to reflect the passing of the Modern Slavery Act 2018	15 July 2020	GM Procurement
2.0	Review and updates to Policy	7 July 2025	EGM Bapcor Supply Chain and Procurement