Environment, Social and Governance (ESG) Policy

Policy No.	BAPCORP120
Effective date:	31 August 2017
Last review date:	26 August 2026
Recommended by:	Nomination, Remuneration & ESG Committee
Authorised by:	Bapcor Board

1 Introduction

(a) Bapcor Limited (**Bapcor**) recognises the importance of operating in a socially and environmentally responsible manner, and managing environmental, social and governance matters in a way that supports long-term value creation, regulatory compliance and sustainable business practices.

(b) The purpose of this ESG Policy (**Policy**) is to outline Bapcor's guiding principles and goals to support Bapcor's corporate strategy and the development of a socially responsible organisation and safe and sustainable workplace.

(c) This Policy applies to everyone who works at Bapcor, including contractors and consultants.

2 Principles

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

(a) ensure commitment and progress towards identified key areas of focus (as outlined in section 3 of this Policy, **Areas of Focus**) to support Bapcor's ESG Strategy;

(b) assess the effectiveness of Bapcor's initiatives and policies that support key Areas of Focus in Bapcor's operations and supply chain;

(c) seek to identify, assess and mitigate ESG risks and emerging ESG issues to understand their materiality with regard to Bapcor's long term value creation and their impacts on all relevant stakeholders;

(d) have regard to Bapcor's responsibility to serve the communities in which Bapcor's businesses operate and impact;

(e) adhere to all applicable ESG-related laws and regulations;

(f) commit to transparent reporting and disclosures of ESG practices and performance to provide stakeholders with clear and accessible information;

(g) encourage continuous improvement and innovation in sustainability practices, having regard to Bapcor's strategy, operations, stakeholder expectations and regulatory obligations;

(h) disseminate this Policy to everyone who works at Bapcor, including contractors and consultants; and

(i) make this Policy publicly available, via publication on the Bapcor website.

3 Areas of Focus

3.1 Our Supply Chain

(a) This includes Bapcor's approach to responsible sourcing and procurement of products and services in a manner consistent with an ethical supply chain.

(b) Our commitment to an ethical supply chain and procurement principles is to:

(i) support the principles within the Universal Declaration on Human Rights, International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, and UN Guiding Principles on Business and Human Rights;

(ii) respect human rights and work to identify, assess and eliminate modern slavery risks within our operations and supply chain;

(iii) engage with our suppliers to support the adoption of responsible business practices within their own supply chains; and

(iv) maintain appropriate channels for team members and other stakeholders to raise risks or concerns relating to our supply chain and procurement processes.

3.2 Our Environment

(a) This includes Bapcor's performance in respect of greenhouse gas emissions measurement and reduction, waste management and product packaging strategy.

(b) Our commitment to environmental sustainability is to:

(i) support the measurement, management and reduction of Scope 1 and 2 emissions, having regard to Bapcor's decarbonisation initiatives and operational requirements;

(ii) assess opportunities to increase the use of renewable energy and lower carbon emissions across Bapcor's operations;

(iii) assess and improve waste management processes and seek to increase levels of waste diverted from landfill;

(iv) support alignment with applicable packaging obligations and relevant Australian Packaging Covenant Organisation commitments; and

(v) Bapcor's climate-related financial disclosures are prepared and governed in accordance with applicable legal and regulatory requirements, including the Australian Sustainability Reporting Standards (where applicable).

3.3 Our Team Members

(a) This includes Bapcor's approach to health, safety and wellbeing, employee engagement, learning and development, and diversity, equity and inclusion.

(b) Our commitment to our people is to:

(i) provide a safe working environment for all team members, in a positive and open culture;

(ii) support the learning and development of all team members; and

(iii) be an inclusive and diverse organisation.

3.4 Our Communities

(a) This includes Bapcor's approach to community engagement, social impact and related initiatives.

(b) Our commitment to communities is to support initiatives that contribute to positive social outcomes in the communities in which Bapcor operates.

3.5 Practice Good Governance

(a) Strong governance practices underpin our ESG program and include a commitment to:

(i) practice zero tolerance in respect of anti-bribery, fraud and corruption;

(ii) comply with laws and regulations that apply to personal information data collection, security, and confidentiality, with data management practices governed by our Information Security Policy;

(iii) provide training to our team members on our Code of Conduct, and security and data privacy practices; and

(iv) manage our material topics through Bapcor's ESG governance structures including appropriate committees and working groups.

4 Responsibilities

(a) The Board has ultimate responsibility for this Policy, including approving material changes and overseeing its regular review.

(b) The Nomination, Remuneration and ESG Committee (**Committee**) supports the Board by reviewing and monitoring Bapcor's ESG strategy, objectives, and this Policy, in accordance with the Committee's Charter.

(c) Management, including the Group Leadership Team, is responsible for implementing this Policy, embedding relevant ESG considerations into business processes and reporting progress, risks and material ESG-related issues to the Committee and the Board through Bapcor's governance structures.

(d) The Board will annually:

(i) review Bapcor's ESG objectives, and assess progress against those objectives; and

(ii) review this Policy and Bapcor's ESG Strategy.

5 Related Policies

(a) This policy is an overarching policy that is supported by Bapcor's Code of Conduct and existing policies, including but not limited to:

(i) Human Rights Policy;

(ii) Anti-Bribery, Corruption and Fraud Policy;

(iii) Diversity, Equity & Inclusion Policy;

(iv) Ethical Supply Chain/Procurement (ESC/P) Policy; and

(v) Whistleblower Policy.

6 Version Control

Version	Amendment/s	Date created	Author
1.0	Establish policy	31 August 2017	
1.1	Update policy	12 April 2018	Chief Executive Officer
1.2	Update policy	1 December 2021	Chief Executive Officer
1.3	Update policy	15 August 2023	ESG Manager
1.4	Update policy	20 August 2024	ESG Manager
1.5	Update policy	18 July 2025	ESG Manager
1.6	Review and update policy	26 August 2026	General Counsel & Company Secretary