

Bunzl

sustainability strategy

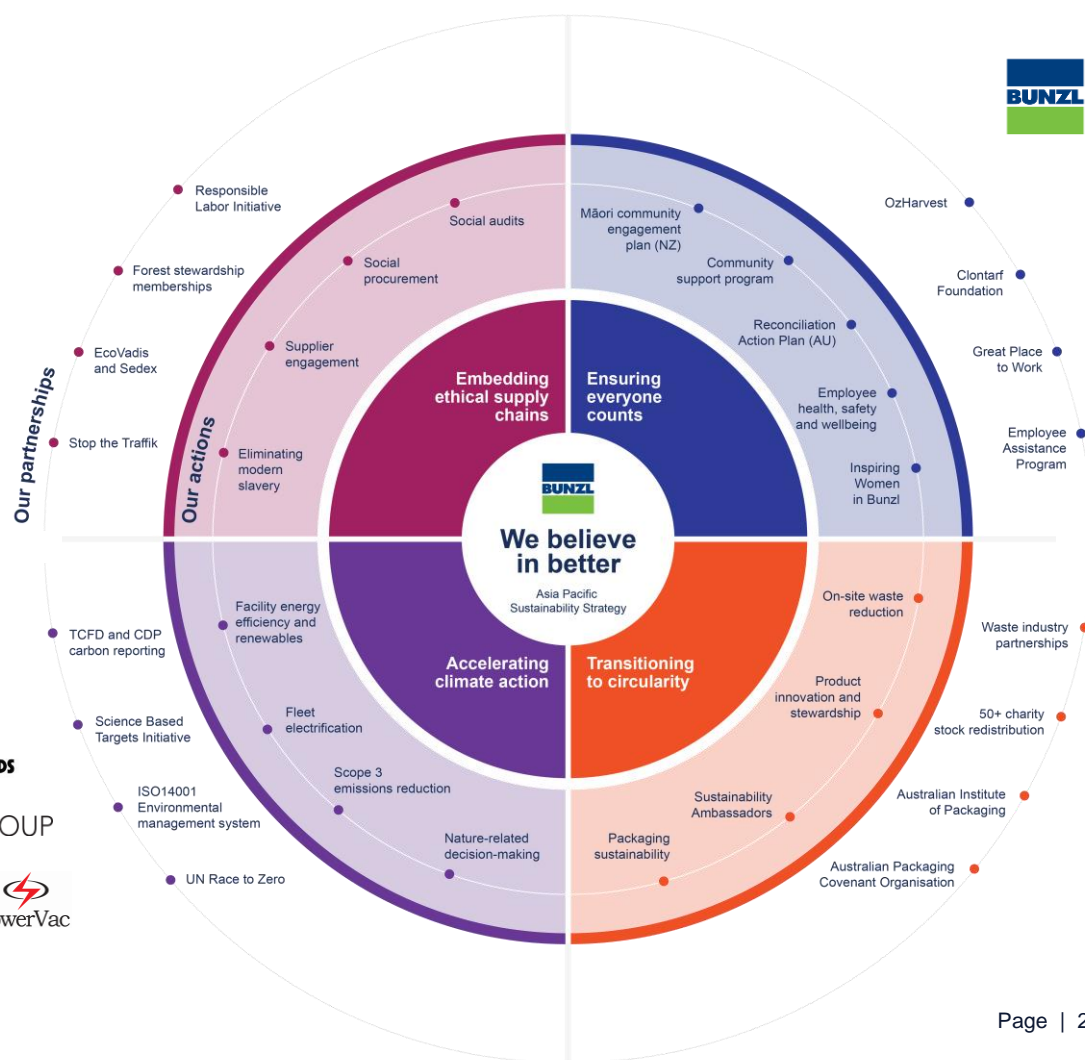
We believe in better

At Bunzl, we believe that to deliver meaningful, sustainable outcomes, you need to be where it matters most – on the ground. Our position in the centre of the value chain, along with our 'sleeves up' culture, leaves us uniquely positioned to work with customers, suppliers and beyond to navigate major challenges in pursuit of a better world.

Our sustainability strategy

To demonstrate our commitment to delivering world-class sustainable supply-chain solutions, we've created our **'We believe in better'** sustainability strategy. Our strategy shows how we will deliver on our promise while holding us accountable for our commitments.

Asia-Pacific businesses



**‘We believe
in better’
brings our initiatives
together, into an
overarching strategy.**

Our strategy has been heavily informed by our double materiality assessment, which engaged over 50 external stakeholders to help define our sustainability focus areas. Aligned with the United Nations Sustainable Development Goals, our focus areas guide our actions toward solving the world's most pressing issues.

At the centre of our approach is a commitment to finding better ways of doing things – better supply chains, better diversity and inclusion, accelerating the use of sustainable energy sources and exploring better ways to use our precious resources.

'We believe in better' is a north star for each of our Bunzl Asia-Pacific businesses, helping guide our business decisions and supporting work with customers to help them achieve their own sustainability goals.

Embedding ethical supply chains

We believe that with our unique position in the centre of the value chain, embedding an ethical supply chain of our own is a critical priority. With over 2000 suppliers across 35 countries in the Asia-Pacific region, we have a responsibility not only to uphold standards, but to **influence and elevate those standards through who we choose to work with.**

KEY GOAL / TARGET:



90%

of our global spend on products from all high-risk regions will be sourced from assessed and compliant suppliers by 2025.



We're firmly committed to ethical practices.



We're looking to lead by example in our ethical conduct, promoting better labour and environmental practices throughout our supply chain.

Our suppliers are expected to meet the same internationally recognised standards on quality, environment and human rights as we expect from our own Bunzl Asia-Pacific businesses.

Our **Ethical Sourcing Policy** and **Supplier Code of Conduct**, underpinned by our industry-leading auditing operation in Shanghai, are at the heart of implementing these standards. The assurance and quality control team in Shanghai perform regular audits to ensure our suppliers in the region adhere to standards on human rights and working conditions. In 2023, we conducted 1022 audits, identifying 66 suppliers that needed to improve their practices, and terminating 10 suppliers as last resort who did not meet our standards despite ongoing support and education.

We're closing in on our target: As of 2023, 81% of our global spend in high-risk regions is with assessed and compliant suppliers.





We strive to use our purchasing power for good.



Our businesses continually look for ways to leverage procurement to support local communities, including First Nations communities across the region.

In Australia, we've used Supply Nation to source goods and services from First Nations businesses. Through our Reconciliation Action Plan, we're committed to growing our engagement with First Nations suppliers and service providers.

We partner with Cole Supplies to supply and distribute workwear under the Boomerang brand, purchase amenities from Wallawa and Sunscreen from Ochre Sun. We aim to maintain and increase this spend with First Nations businesses in the coming years.



We partner with third parties for verification.



To ensure traceability and responsible sourcing – and provide customers with the means to make informed purchasing decisions – we engage in multiple third-party verification schemes.

For example, 37% of our own-brand paper-based products and 51% of our Sustain food service range are certified through the Forest Stewardship Council. We do not accept paper-based products that may contain wood fibre harvested illegally or sourced from protected forest areas.

Our partnerships extend beyond our products to the way in which we work with customers and suppliers. As a member of Sedex, we transparently record and report on data around the social and environmental sustainability of our supply chain. Since 2022, we have been a member of EcoVadis, the world's largest and most trusted provider of business sustainability ratings, enabling our customers to transparently assess our sustainability credentials. In 2024, we were honored to receive a Silver Medal for our efforts.

Proud to be a
Sedex
Member



Ensuring everyone counts

We believe that people, both within Bunzl and the wider communities in which we operate, are central to the ongoing success of our businesses. Through the scale of our operations across four countries in the Asia-Pacific region (New Zealand, Australia, China and Singapore), we have an opportunity to **meaningfully nurture, enable and support the people throughout our network.**

KEY GOAL / TARGET:



Creating an equitable and inclusive work environment enabling opportunities for growth.



We promote health, happiness and wellbeing.



We believe that the safety and security of our people is our first priority. The health, safety, and wellbeing of both our employees and communities – both physical and psychological – is critical for our operations.

This includes our safety-first workplace approach, training, Employee Assistance Program, network of 51 mental health first aiders and flexible working arrangements. We've had this rich wellbeing culture recognised through our Great Place to Work certification since 2023.

Our wellbeing culture extends beyond our workplace to support the communities that support us. We offer charitable donations and community service leave, as well as partnering with organisations to 'give back' as a team. Since November 2022, we've donated 13,370 meals to families and individuals in-need through our partnership with OzHarvest.



A PROUD
SUPPORTER
OF OZHARVEST



We celebrate diversity inside and outside of Bunzl.



With people all over the Asia-Pacific region, our workforce is diverse – and we believe that through diversity, we build strength.

We promote gender equality and equal opportunity throughout our recruitment, training, promotion and performance processes.

Our senior leadership team is 44% women, supported by Inspiring Women In Bunzl – our program to champion female participation and development across our businesses. Through the Gender Pay Gap audit, our result of a gap less than 5% places us in the top 20% of employers in Australia for parity.

We were also proud to have our commitment to diversity and inclusion recognised externally, being named a Banksia Sustainability Awards finalist for Diversity in 2023.





We respect and empower First Nations people.



We believe that at Bunzl, everyone counts. Collaboration and reconciliation with First Nations people is one of our core values.

Beyond partnering with Indigenous businesses for procurement, through our **Innovate Reconciliation Action Plan**, we work to offer opportunities for First Nations people within and outside of our workforce.

We are proud corporate sponsors of the Clontarf Foundation, an organisation that seeks to support young First Nations men through access to education and opportunities to build life skills. We participate in mentorship, work experience and traineeship programs, with two school-based trainees currently employed.

We will continue to deepen our cultural awareness within the organisation to continue opening opportunities for the First Nations community.



clontarf
foundation

Accelerating climate action

As a leading global distribution company, we're aware of the environmental impact of our operations. We believe we have a responsibility to lead from the front in mitigating this impact.

KEY GOALS / TARGETS:



Net Zero 2030 for scope 1 & 2 Asia-Pacific emissions.

80%

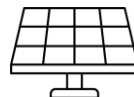
of suppliers to have science-based targets by 2027.



Net Zero across scope 1, 2, & 3 emissions by 2050.



We're committed to Net Zero emissions.



We have ambitious Net Zero 2050 targets and are working hard on initiatives to realise that goal.

The way we build and power our operations is a key focus. We're in the midst of rolling out solar panels across our larger distribution sites, with 75% already installed. Our new Pemulwuy distribution centre was built to a 6-star Green Star rating.

We're also in the process of electrifying our fleet, with 16% now hybrid or electric.





We consider the full carbon life cycle impact.



We've been tracking scope 3 emissions associated with the goods and services we supply for several years, and we have a plan in place to address them.

We have recently advanced this plan by engaging with our largest supply partners to learn more about their carbon reduction journey, and informing them about our policies, targets, and other requirements.

We take a considered approach to the natural environment.



The way we interact with our natural environment is important to us.

To ensure we're handling environmental risks according to best practice, our centralised environmental management system is certified. In 2024, we'll also be starting work on nature-based decision-making in line with the Taskforce on Nature-Related Financial Disclosures.





We're building climate resilience.



In order to address the challenges of climate change, we first have to be aware of what they mean for our business and hold ourselves to account on making change.

To uphold best practice and transparency, we report our climate risks and impacts according to the Taskforce on Climate-Related Financial Disclosures (TCFD).

We also disclose through the Carbon Disclosure Project (CDP). In 2023, we earned a B rating for our coordinated action on climate issues, and an A- for implementing best practices in supplier engagement.

TCFD

TASK FORCE ON
CLIMATE-RELATED
FINANCIAL DISCLOSURES



We're committed to minimising pollution.



Our environmental management system is certified to ISO 14001.

Transitioning to circularity

Being in the business of selling and moving goods around the world, we're aware of our role when it comes to key challenges like waste. We believe we have an opportunity to embed circular economy principles to reduce our impact on the environment, and help our customers do the same.

KEY GOALS / TARGETS:



More than 50% of operational waste is recycled.



Committed to the phase-out of problematic and unnecessary single-use plastics packaging.



Continuing to source reusable, recyclable or compostable packaging where possible.



We're innovating in product and packaging.



As a member of the Australian Packaging Covenant Organisation (APCO), we continually look for new ways to reduce the negative impacts of our packaging – and we report every year on our packaging Action Plan.

In recent years, over 2000 work wear SKUs have been redesigned to remove all plastic packaging. The new design uses recyclable cardboard pack bands, single recyclable swing tags and cotton cords. We have also worked with one of our customers to reduce their plastic usage by 140 tonnes annually, in a bid to become plastic-free.

Our food service ranges Sustain and Revive have been designed with sustainability in mind. Sustain is made from 34% renewable bagasse, 3% renewable bamboo and 50% renewable paper, with 50% of the range ABA certified compostable. Our Revive range contains a minimum of 20% post-consumer recycled content that's widely recyclable in kerbside collection systems.





We're proactively enabling better customer choices.



Recognising our responsibility as a supplier of single-use products, we are dedicated to reducing waste and driving industry-wide adoption of sustainable alternatives.

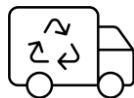
This includes transitioning to recyclable and reusable products wherever feasible and eliminating problematic materials like oxo-degradable plastics, intentionally added PFAS, and Expanded Polystyrene (EPS) from our supply chain.

We also take a proactive approach to meeting single-use plastics state bans, by supporting both our suppliers and customers to transition.

To support customers through their procurement processes and recommend the most sustainable product and packaging for their needs, we've trained 26 Sustainability Ambassadors, who share their knowledge throughout Australia and New Zealand.



We're cracking down on our waste.



We're working to overhaul the way our operational waste is separated, collected and recorded, so we can meet our goals on waste reduction.

We're partnering with a waste service provider to roll out quantity reporting across our sites, to allow us to better target reduction strategies. 77% of our sites are now collecting data and reporting on their waste. At our Erskine Park distribution centre, this has led to increasing their recycling rate from 0% to 55% for the year 2023, through staff education, separation methods and data capture.

Our circular economy efforts have been recognised.



In 2024, Bunzl won the Labelling and Decoration Award for Sustain's OzHarvest Collection at the WorldStar Packaging Awards, following their win in the same category at the 2023 PIDA Awards.

In 2023, Bunzl was a finalist in the Business Transformation category at the Banksia Foundation Awards.

In 2022, Bunzl won the Our Packaging Future Award for Industry Engagement at the APCO Awards, and in 2024 a PIDA Award for sustainable packaging design in workwear.

To the future

While we're proud of what Bunzl Asia-Pacific has achieved to date, we're excited by the opportunities we still have ahead.

We'll continue to go above and beyond mandatory standards, transparently share our journey and embrace opportunities to work with partners and customers to address some of the biggest challenges we're all currently facing.

By continuing to innovate and collaborate, we believe we can drive the change needed to deliver a sustainable future for all. We believe in better.

To find out more about Bunzl's global sustainability strategy, see our full sustainability report [here](#).

