

8 March 2024

Markets Announcements Office
ASX Limited

Sustainability Report

Eagers Automotive Limited (ASX: APE) attaches our Sustainability Report.

-ENDS-

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Authorised for release by the Company Secretary.



SUSTAINABILITY REPORT 2023





At Eagers Automotive, our vision is to be the most admired automotive group, and we know this cannot be realised without a strong people focus, considered environmental footprint and a business resilient to internal and external pressures. This is why our sustainability strategy has People, the Planet and our Performance at its core.

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1 Introduction

Welcome to Eagers Automotive's sustainability report for 2023.

Over the past year we have focussed on cementing awareness of our sustainability strategy across the Group and identifying the actions and activities that we need to start, continue, stop, and optimise for us to execute on our strategy and achieve our sustainability goals.

Sustainable Together

Our sustainability vision is to be the most admired automotive retailer by delivering sustainable growth through the optimisation of our operations, our people and our environment.

MISSION & GOALS



People

To attract and retain the best people, deliver superior customer service on a balanced and productive cost base and support sustainable communities through our dealerships and the Eagers Automotive Foundation.

Planet

To reduce our impact on, and where practicable enhance the environment through operational optimisation and collaborative partnerships.

Performance

To build a resilient business that can withstand and adapt through market cycles as well as grow and thrive in the face of change and disruption.

Sustainability Standards

This report seeks to align with the Sustainability Accounting Standards Board's (SASB) guidance for companies in the multiline and speciality retailers and distributors sector (SASB Standard), while also considering the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework.

Our company goals are also reflective of the five United Nations Sustainable Development Goals (UN SDGs) we believe the Group is best placed to contribute to given our prominent role in the retail automotive industry.



These five UN SDGs reflect the areas we believe Eagers Automotive Group is best placed to contribute given our prominent role in the automotive retail industry.



2 About Us

Eagers Automotive is the largest automotive retail group in Australia, with a long and proud history spanning over 110 years, more recently expanding operations to New Zealand.

During 2023 the Group represented a diverse portfolio of over 40 automotive brands across every Australian capital city as well as regional Queensland, the Newcastle/ Hunter Valley region of New South Wales, broader Tasmania and Auckland, New Zealand.

As well as the sale of new and used motor vehicles and trucks, our principal activities consist of the distribution and sale of parts, accessories and car care products, and the repair and servicing of vehicles.

In 2023 we employed 7,577 people, 7,200 in Australia and 377 in New Zealand. ^[1]



1. As at 31 December 2023.

As a publicly listed automotive retail sales and service provider, our people are integral to our long-term success, and are at the core of our business and everything that we do.

a) Employee Engagement

We recognise there is a strong link between employee engagement and business performance. To be competitive and provide a superior customer experience, we need to attract and retain the best employees, and maintain a positive and constructive company culture – a highly engaged workforce will help to achieve sustainable high-performance outcomes.

In 2023 we continued to survey our employees through our annual Employee Engagement Survey. This survey was both anonymous and confidential, conducted by an independent third-party provider, and enabled feedback to be benchmarked against a portfolio of other automotive, transportation and logistics employers.

Our overall employee engagement rate increased by 4% on the Group's 2022 results. At 72%, Eagers Automotive is performing well above the benchmark of 64% for employers in the automotive, transport and logistics industry.

The survey results highlighted that safety remains an area we are highly engaged across the Group. Employee favourability was also high in team leadership, as well as the commitment from our team members to deliver high-quality work.



b) Diversity, Equity & Inclusion

We recognise the value in having a workforce that reflects the diversity of the communities within which we operate and the need to provide an inclusive culture where people are valued and respected, regardless of their personal characteristics, circumstances, beliefs and perspectives. This is why 'Inclusiveness' is one of our four Company values

(i) Equal Opportunity and Treatment

To attract and retain a diverse workforce comprised of the most talented and engaged people we must provide equal opportunity for workforce participation, from recruitment to retention initiatives, performance management and promotional opportunities, and remuneration and succession planning. We work on the principle that all employment decisions must be based on merit and be non-discriminatory. All employees are valued according to how they perform their duties and their ability and enthusiasm for maintaining company expectations and standards.

Our leaders and managers are responsible for ensuring employees are treated fairly and with respect and dignity regardless of background or personal characteristics, in accordance with our Diversity Policy, Code of Conduct, and other governance documents.

(ii) Diversity Policy and Objectives

In accordance with our Diversity Policy, the Group's governing Board has set the following objectives for achieving diversity in the composition of the Board, senior executives, and the workforce generally:

A. Board Composition

As against the Board's diversity target to increase female representation on the Board to 30% by 2025, women currently make up 25% of the Board.

	Female	Male
Feb 2024	25.0%	75.0%
Feb 2023	25.0%	75.0%
Feb 2022	22.2%	77.8%
Feb 2021	20.0%	80.0%

3 People (continued)

(ii) Diversity Policy and Objectives (continued)

B. Diversity & Inclusion Training

To further embed our Company value of 'Inclusiveness' across the Group, the Board has set the objective to develop and deliver diversity and inclusion training for managers over a four-year period. The training focuses on increasing awareness of unconscious biases and understanding how differences can contribute to the development of a high-performance culture.

Other related management training, awareness and coaching provided in 2023 included in the areas of:

 Leadership	 Appropriate Workplace Behaviour including Discrimination	 Culture and Engagement
 Duty of Care	 Mental Health Awareness and Mentally Healthy Workplaces	 Legislative changes impacting employment arrangements.
 Unconscious Bias		

C. Workforce Gender Composition

While the automotive industry is traditionally male dominated, we acknowledge the role that we can play, as Australia's largest automotive retailer, to improve the gender balance of our workforce. Our objective is to better understand relevant gender issues so that we can ensure a supportive environment for all and minimise any barriers to gender equality.

The following table shows the trends in gender representation across the Group, over the past three reporting years.

	Management			All Other Employees		
	Female	Male	Not disclosed / Non specific	Female	Male	Not disclosed / Non specific
2023	13.77%	86.23%	N/A	25.78%	74.19%	0.03%
2022	15.22%	84.78%	N/A	25.36%	74.60%	0.04%
2021	8.16%	91.84%	N/A	23.25%	76.75%	N/A

Rates are calculated to the nearest two decimal places.

During the reporting year, programs, activities and awareness events to support and promote a gender diverse workplace included:

- Eagers' Fearless Female+ Forum
- Eagers' GROW Program
- Harmony Week
- Matariki Celebrations
- International Women's Day
- National Reconciliation Week
- NAIDOC Week
- Neurodiversity Celebration Week.

D. Cultural Diversity Recognition

We continue to focus on improving our data gathering capabilities to meet the Board's objective to better understand and report on the cultural heritage and diversity of our workforce.

According to the respondents of our 2023 Employee Engagement Survey, while Australia, New Zealand, United Kingdom and Asia are the prominent places of origin of our employees, more than 64 other places of origin are also represented, and our employees speak more than 53 different languages.



c) Reward and Recognition

Appropriate and adequate rewards and recognition are an important driver of employee engagement and we are proud that many of our employees have chosen to have long careers with us. To celebrate our long tenured employees, we recognise annual service anniversaries that begin after 10 years with us, and every subsequent five-year anniversary.

We are committed to meeting and where reasonably practicable, exceeding, all legal and employee payment obligations. In recognition of this commitment, the Group set the goal to remunerate all Group employees above the minimum wage by the end of 2023. We are pleased to report that for 2023 all employees have been remunerated above the minimum wage.

Minimum Wage Employee Rate			
Whole of Group	2023	2022	2021
	0.0%	0.9%	1.4%
<i>Rates are calculated to the nearest one decimal place.</i>			

The SASB Standards require the reporting of averaged labour rates. As the broad variety of roles within the Group means the reporting of averaged labour rates may not reflect accurately for our Group and is therefore of limited extrinsic value, we have elected not to report these averages.



d) Career Development and Training

With a history of over 100 years in the automotive industry and a NEXT100 strategy guiding the Group through the next 100 years of operations, we continue to invest in the future of the automotive industry and the people that will make it a success into the future.

(i) Learning and Development

We value continuous learning that supports role performance, customer service improvements and the achievement of professional goals. In that regard, we provide training in many areas including:

- Sales and service development
- Car care
- Finance and insurance
- Leadership and workforce management (including advanced and emerging leadership programs)
- Manufacturer and product-specific training
- Systems training

Company-sponsored training and educational opportunities are also available on a case-by-case basis in areas such as executive education, future leadership and sponsored higher education.

(ii) Apprenticeships

We have various apprenticeship and traineeship opportunities available in Automotive Trades and Services, as well as Administration.

In 2023 the Group employed 789 apprentices, including 303 new apprentices. During the year, 111 apprentices completed their training to become qualified in trades such as Technicians, Service Advisors and Parts Interpreters.

We provide many benefits to support our apprentices during their training. These vary by region however they include payment of technical fees, free or discounted tools, the opportunity to salary sacrifice some expenses, and discounts on vehicles, parts and servicing.



3 People (continued)

e) Labour Practices

The regular monitoring of certain labour practices helps us to identify actual or potential workplace issues, including cultural issues, and to put in place actions to mitigate or address these issues. Potential indicators include employee turnover and employment violations, details of which are set out below.

(i) Turnover

Employee turnover rates across the Group remained stable in 2023, with slight increases compared to 2022. Voluntary turnover includes resignations and retirements, while involuntary turnover includes dismissal, redundancy and non-renewal of contracts.

Group-wide Turnover Rate			
	2023	2022	2021
Voluntary	33.4%	33.0%	30.2%
Involuntary	4.3%	3.2%	3.0%

Rates are calculated to the nearest one decimal place.

Improving employee retention strategies and uniting employees through periods of growth continues to be a priority. A refreshed Employee Handbook was developed and implemented during the reporting period which is provided to all new starters as part of their onboarding and serves as an important reference tool for existing employees. It introduces employees to Eagers Automotive, including what we do, our history, our values and guiding principles, workplace health and safety, and the employment basics.

(ii) Labour Law and Other Violations

In 2023 we did not incur any monetary loss as a result of legal proceedings associated with labour law violations or employment discrimination.

f) Balancing Work Goals with Life Goals

As a large business with diverse operations and roles, we recognise that flexibility presents differently across the Group. We are committed to living our 'Inclusiveness' Company value and to attracting and retaining the best employees, while also meeting our stakeholder expectations and strategic objectives. To do so, our approach is to consider flexibility in all its forms to enable an engaged, inclusive and high performing workplace culture that balances work goals with life goals.

(i) Parental Leave Policy

We continued to support new parents through our recently revised and harmonised Parental Leave Policy. This policy provides supplementary payments to any payments made under the Australian and New Zealand Government's paid parental leave schemes so that eligible employees can maintain their usual average pay for a period of up to 12 weeks during their parental leave.

(ii) Employee Assistance Program

We continue to provide employees and immediate family members with access to our Employee Assistance Program. Services include independent, free and confidential counselling and support in areas such as mental health, relationships, exercise, sleep and financial counselling, as well as a library of self-serve health and wellbeing resources.





g) Health, Safety and Wellbeing

We manage the health, safety and wellbeing of our people at work in accordance with our Workplace Health, Safety and Environment (WHSE) Policy, Risk Management Procedure, integrated WHSE software platform and other supporting documents and systems. Our health and wellbeing activities during 2023 included:



Safe Work Month safety campaign focussing on hazard identification and near miss reporting



Implementation of the hazardous chemical management platform - Chemwatch, and contractor induction platform - Rapid Induct



Development of a hazardous chemical banned products list and a chemical substitution trial to reduce health and environmental risks.



Risk assessment activities for psychosocial risks and electric vehicle safety risks



Commencement of Safety Leadership Programs across various regions

h) Modern Slavery

Eagers Automotive Group continues to mature its approach to the identification and understanding of modern slavery risks in its operations and supply chain, and to strengthen its controls to mitigate these risks, in line with its obligations under the *Modern Slavery Act 2018* (Cth).

We increased awareness of modern slavery and the Group's commitment to the mitigation of modern slavery practices through the release of our Modern Slavery Policy and commenced roll out of general awareness modern slavery training in late 2023. We also strengthened our modern slavery governance through the release of a Modern Slavery Response Procedure and revised Complaints Management Policy and Whistleblower Policy.



3 People (continued)

Celebrating Eagers Automotive Foundation

10th Anniversary

(i) Supporting our Community – Eagers Automotive Foundation and local charitable initiatives

Celebrating its 10th anniversary this year, the Eagers Automotive Foundation's vision is to create a lasting spirit of giving within the Eagers Automotive network for those in need. Employees have the option to donate a portion of their salary to the Foundation through our Workplace Giving Program and are encouraged to propose charities and causes close to their heart for the Foundation to support. As all Foundation administration expenses are paid by Eagers Automotive Limited, we ensure that 100% of donations received are delivered to intended recipients.

Our dealerships also have a longstanding history of supporting the communities within which they operate, through donations, sponsorships and fundraising activities. Together with the Foundation, in 2023 we provided approximately \$1 million in monetary and in-kind contributions to community and charitable causes.



13Yarn

In WA, AMCAP partnered with 13YARN to spread awareness of the 13YARN crisis line through branding on maintenance service kits. 13YARN is an Aboriginal & Torres Strait Islander crisis support line funded by the Australian Government with the support of Lifeline and developed in collaboration with Gayaa Dhuwi (Proud Spirit) Australia. It is run by Aboriginal and Torres Strait Islander people.

AMCAP ships around 4,000 maintenance service kits every month with multiple touch points - AMCAP staff, the logistics / transport providers with their large warehousing facilities, on the back of trucks travelling to remote locations and eventually the hundreds of stakeholders that see and engage with these kits on a daily basis on mine sites. This is a visual reminder to all that help is always available and only a phone call away.

As part of this partnership, AMCAP hosted a launch event hosted by Ernie Dingo where internal and external guests were entertained with a performance by Wadumbah Aboriginal Dance Club.

Keith's Closet - Supporting Mental Health

We were proud to raise money through a charity golf day for Keith's Closet – Supporting Mental Health.

Keith's Closet believes that people acquiring mental health services should have access to clothing, accessories, essential items and homewares in times of need whether in hospital or in the community.





National Tree Day

As part of our objective to build positive community relationships and make positive environmental impacts, a number of our Toyota dealerships across the country engaged with local schools and early childhood centres to promote National Tree Day, while also beautifying school ground. These engagements involved a variety of activities including the donation of trees, gardening apparel and lunch to fuel tree planting participants, as well as educating the children on how to care for seedlings as they grow and the importance of connecting with nature and giving back to the environment.



Kids Rehab at the Childrens Hospital Westmead

Over \$90,000 in monetary and in-kind contributions were donated to Kids Rehab at The Children's Hospital at Westmead - part of the Sydney Childrens Hospitals Foundation. Kids Rehab, one of the largest paediatric rehabilitation units in Australia, cares for over 4,300 children and young people in NSW who have a range of disabilities including Acquired Brain Injury, Cerebral Palsy, Limb Loss, Spinal Cord Injury / Disease, Spina Bifida and Complex Musculoskeletal Disorders. Our contributions came from a number of charity events throughout the year, including platinum sponsorship of the Emerald Ball and an annual charity golf day.



Backpacks 4 SA Kids

The Eagers Automotive Foundation and a number of our SA dealerships held charity events and toy donation drives, as well as donated time throughout the year in support of Backpacks for SA Kids, which aims to give every child from newborn to 18 years old entering emergency care a gift for Christmas.

National Breast Cancer Foundation (NBCF)

This year we continued our partnership and fundraising activities in support of the National Breast Cancer Foundation. As well as raising valuable funds, our AMCAP business continued to create breast cancer awareness through pink NBCF branded cabinets and containers.





Planet

Climate Change and the environment

The occurrence of serious weather events affecting our areas of business are not only a continuing reminder of the risks that natural disasters pose to our property, assets and operations, but also of the broader consequences of poor environmental management and inaction.

Key Highlights



Establishment of a Sustainability Steering Committee



46 UPSSs decommissioned, handed back or divested, 9 of these in 2023



PAT bottle recycling pilot



Installation of an additional 600kW of Solar PV capacity



a) Environment

Our business activities can be both impacted by, and have an impact on, the environment in which we operate. Our efforts have and will continue to focus on incorporating business resilience activities into our strategic and operational planning, and activities that reduce our environmental impact, enhance our physical environment, as well as improve customer and employee experience and satisfaction.

(i) Hazardous Chemicals

A. Chemical Risk Management

Our operations involve the handling, storage and sale of hazardous chemicals such as paints, solvents, fuel, degreasers, aerosols and oil. Our WHSE risk management approach aligns with our overarching risk management approach.

Our centralised safety management system and use of Chemwatch, an externally run online platform, enables the application of specific control measures for each site, including the development and maintenance of chemicals registers, Safety Data Sheets, chemical composition awareness to aid decision making, signage and employee training in the safe handling and use of chemicals.

Appropriate governance documents and processes are in place to support operations including our WHSE Policy, Environmental Aspects/Impacts Register, WHSE Risk Management Procedure, and site and business-based risk profile registers.



B. Hazardous Chemical Handling and Elimination

While chemical use and management is primarily guided by vehicle manufacturer requirements and those of the third-party products we on-sell, programs have been introduced to help mitigate the environmental and safety implications of certain hazardous chemicals used within our operations.

We work with key chemical supply partners to eliminate the use of harmful chemicals in products (such as detailing products) and source safer alternatives for use by our employees and contractors.

Annual reviews of our spray-painting activities are completed to mitigate safety and environmental risks. Going forward, all new spray-painting plant and operations will use water-based paints to further reduce the need for harmful solvents.

Our underground petroleum storage systems (UPSSs) management program continued in 2023, aimed at mitigating the safety and environmental risks associated with UPSSs if they were to deteriorate over time. To date a total of 68 UPSSs have fallen within the program, 46 of which have been decommissioned, handed back (if within a leased site) or divested (if subject to a property sale), 9 of these during the 2023 reporting period.



Planet (continued)

Climate Change and the environment

(ii) Waste Management

Improving waste management practices continues to be an area of focus across the Group, with initiatives introduced, under investigation or planned to address specific site and operational impacts and requirements under a reduce, reuse and recycle approach.

Reduce, reuse and recycle

During 2023 the Group continued to leverage technology to not only improve customer and employee experience but also to reduce paper usage, increase information security, and reduce physical storage expenses. This was enabled through the roll out of electronic contracts and the implementation of a new document management system.

This year Precision Automotive Technology (PAT), the Group's wholly-owned provider of premium aftermarket car care products, worked closely with its supplier to develop and pilot a bottle recycling program. If the pilot is successful, the intention is that the recycling initiative will be more broadly rolled out across the Group's other regions.



At our parts distribution centres and service centres, packaging initiatives have focused on reducing the use of single-use plastic, substituting plastic products with paper equivalents (i.e. plastic bags and tape) and reusing cardboard boxes for repackaging goods where appropriate (dependant on size, shape and weight considerations).

Other recycling initiatives deployed throughout our sites include the recycling of:



Plastics (such as pallet wrapping, bumpers and mouldings)



Paper, cardboard and timber pallets



Metal (predominantly manufacturer's transport frames, damaged panels, and doors)



E-waste (redundant IT equipment)



Lead acid batteries and tyres.

b) Climate Change

As a group of companies operating across Australia and New Zealand, we recognise the social and environmental impacts of climate change and our responsibility in minimising our environmental footprint to mitigate these impacts. In this section we provide an overview of the Group's climate change governance arrangements, as well as greenhouse gas (GHG) emissions for the reporting period, and current mitigation activities to reduce the impact of our operations on the environment.

(i) Climate Change Governance

We have integrated climate change governance into our existing governance processes and sought to embed responsibility for the risks associated with climate change throughout our business.

Climate and sustainability related issues are considered by the Board as relevant, for example, when reviewing and guiding strategy and setting performance objectives.

This reporting period the Audit and Risk Committee Charter and Remuneration and Nomination Committee Charter were revised to specifically address each Committee's role in considering sustainability related matters when undertaking its responsibilities.

To further the Group's sustainability strategy, a Sustainability Steering Committee was established with cross-functional representation. The Committee is tasked with assisting management to drive a sustainability culture throughout the Group by planning and prioritising sustainability initiatives, maintaining oversight of the performance of these initiatives, and providing updates to the Executive Leadership Team on the Group's progress.

(ii) Climate Change Risks and Opportunities

As a retailer of new and used vehicles, regulatory demands and consumer expectations are a driving force behind our original equipment manufacturers (OEMs) transitioning to low emission vehicles and this, as well as the physical impacts of extreme weather events, will continue to impact our business, presenting both risks and opportunities.

Overall, we are well placed to respond to climate related risks due to:

- Our diversified vehicle brand approach which places us in a strong competitive position to adapt to shifting consumer preferences
- Our diversified business model which enables us to balance risks and leverage new opportunities, and
- Our broad geographic base which enables us to maintain operations in the face of isolated extreme weather events.

Together these factors increase business resilience and maintain financial stability.



4 Planet (continued)

Climate Change and the environment

(iii) Greenhouse Gas (GHG) Emissions

Although our businesses, as retailers, generate a relatively modest level of GHG emissions, we are committed to playing our part in the broader emission reduction response and supporting our OEM partners in their emissions reductions journey.

A. Scope 1 and Scope 2 emissions and reduction initiatives

An annual review of the emissions and energy consumption of the Group's Australian operations is undertaken as part of our compliance with Australia's national greenhouse and energy reporting requirements (**NGERS**).

Our main sources of Scope 1 emissions are emissions from transport fuel (i.e. Diesel, petrol and liquefied petroleum gas (**LPG**)). Our NGERS reporting for the 2022-2023 reporting period shows an increase in Scope 1 emissions of 9%, likely attributable to a number of business acquisitions, including the acquisition of portfolios of dealerships in the ACT and South Australia in 2022.

Our main source of Scope 2 emissions derives from purchased electricity. While our NGERS reporting for the 2022-2023 showed an increase in electricity usage across the Group, up approximately 13% from the 2020-2021 reporting period (and likely attributable to the aforementioned business acquisitions), actual Scope 2 emissions reduced by approximately 5% due to an increase in renewable energy mix.

Our total Scope 1 (direct) and Scope 2 (indirect) emissions for the NGERS reporting year 2022 - 2023, in comparison to the previous years were:

T CO2-e	2022-23	2021-22	2020-21
Scope 1	31,670	29,067	33,009
Scope 2	24,762	26,104	29,561
TOTAL	56,432	55,171	62,570

The Group continues to focus on energy efficiency and renewable initiatives as well as site consolidations, which serves to minimise energy consumption and emission increases, despite business growth. Our emissions data collection and reporting processes are maturing, and we are currently investigating the most appropriate metrics by which to report our emissions trends that also considers our company's growth strategy.

We have continued to roll out our solar replacement and installation program with an additional 6 solar photovoltaic (**PV**) systems installed in 2023, each providing 100Kw of electricity. This amounts to an additional 600 kW of Solar PV capacity installed throughout 2023, which combined with existing systems of 2.75 mW, can generate approximately 5.5 Gwh of electricity annually.

The Group continued to pro-actively manage the commercial installation of energy efficient lighting (i.e. LEDs) and more efficient and environmentally friendly air conditioning systems. The rollout of light sensor and timer devices also continued, which together support localised reduction strategies in energy consumption, as well as cost management in the face of increasing electricity pricing over the past few years.

B. Leading the new energy vehicle transition and supporting our OEM Partners

The evolution from largely internal combustion engines (**ICE**) to low emission technologies is a significant change to the automotive industry. This year the Eagers Automotive Group continued to lead the new energy vehicle (**NEV**) transition by:



Supporting the NEV visions of existing OEM partners, including through NEV promotion, education and awareness



Positioning the Company to become the preferred retail partner for new NEV market entrants



Diversifying into the electric truck segment



Investing in infrastructure across its network to support NEV adoption.



Annual electricity generation capacity from solar
5.5Gwh



C. OEM partner targets

Our OEM partners have set targets aimed at reducing CO₂ emissions across their operations and value chains, and relevantly, through the increase in NEV offerings.

The table below provides a summary of the targets set by 12 of the top 15 OEM brands sold in Australia and represented by the Group, which accounted for 69.3% of all new vehicle sales in Australia in 2023.

OEM	TARGET	TARGET YEAR
1	Achieve carbon neutrality for GHG emissions throughout the lifecycle	2050
	Global battery electric vehicle sales target of 3.5 million each year	2030
	Reduce average GHG emissions by more than 50% from new vehicles compared to 2019 levels	2035
2	Endeavour for carbon neutrality throughout the entire supply chain	2050
	25-40% of new vehicles to be electric, depending on each region's electrification policies or more stringent regulations	2030
3	All vehicles, production facilities and suppliers to be carbon neutral	2050
	Europe to be carbon neutral including zero emissions for all vehicle sales	2035
	50% of global sales to be electric with 100% of car sales in Europe to be electric	2030
4	All vehicles, production facilities and suppliers to be carbon neutral	2045
	Global sales of 1.6 million electric vehicles representing an average 52% market share in key markets	2030
	Achieve 100% renewable energy overseas and in Korea by 2040	2030
5	Achieve carbon neutrality and 100% renewable energy. Expand application of hydrogen technologies and encourage supply chain to achieve carbon neutrality	2045
6	Achieve carbon neutrality including for the entire supply chain	2050
	Electric vehicles to be 100% of all vehicles sales	2035
	CO ₂ emissions from new vehicles to be 50% below 2018 levels	2030

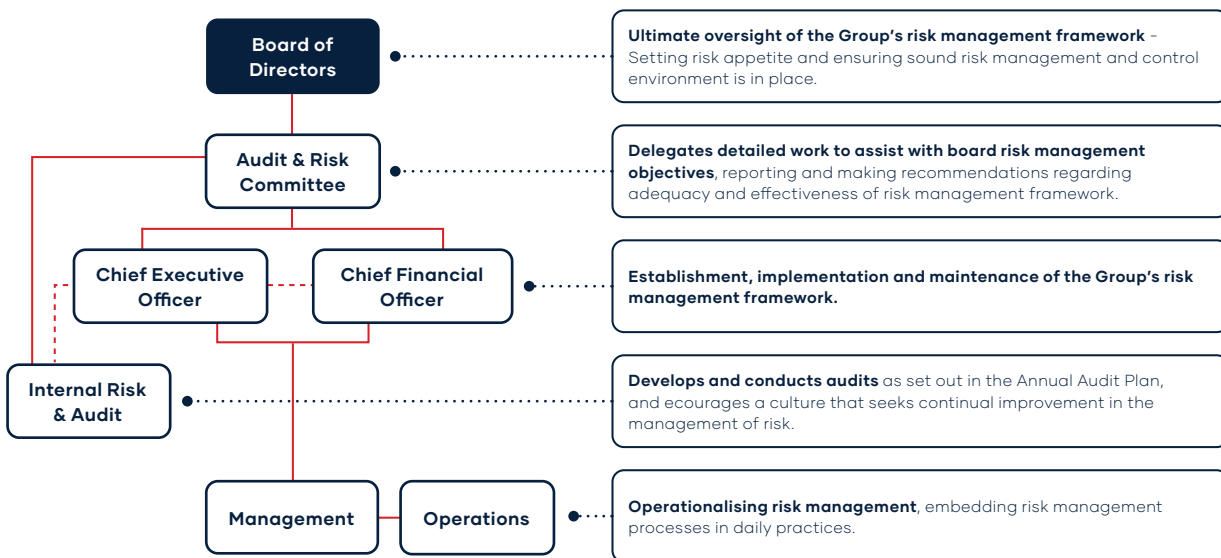
OEM	TARGET	TARGET YEAR
7	Targeting carbon neutrality and reduce the average well to wheel CO ₂ emissions from new vehicles by at least 90%, compared with 2010	2050
	Apply electrification technologies to all vehicles produced and sold	2035
	Increase the ratio of electric vehicles and hybrid cars to at least 40% of the gross number of vehicles sold globally	2030
8	Zero GHG emissions from operations and across product life cycles	2050
	Reduce CO ₂ emissions by 50% from 2013 levels	2030
9	To be net carbon neutral	2050
	Reduce vehicles' CO ₂ emissions in production by 50% and emit 30% less CO ₂ on average per vehicle over the entire life cycle compared with 2018	2030
	Electric vehicles globally to be 20% of sales	2025
10	To be carbon neutral across the life cycle of its products	2050
	Introduce 27 new electrified models, including 19 new electric vehicles with the aim that every all-new vehicle will be electrified in key markets resulting in an electrification mix of 50%+ globally across the two brands	2030
11	Total climate neutrality	2050
	Reduce CO ₂ emissions per vehicle and kilometre driven by 40% on 2019 levels across its entire value chain. A 50% reduction in CO ₂ emissions per vehicle during use and an 80% reduction during production compared to 2019	2030
12	To be net carbon neutral along the entire value chain in the new vehicle fleet including utilising 100% renewable energy	2039
	Reduction of CO ₂ emissions per vehicle in the new vehicle fleet by at least 50% along all stages of the value chain. Ready to go all-electric wherever market conditions allow	2030

a) Risk Management

Robust risk management processes and practices integrated into our work culture are important for the resilience and long-term sustainability of our business. Our risk management framework provides the tools to identify and report on key business risks, including sustainability related risks.

When identifying risks, changes in external and internal context and indicators of emerging risks are considered. The risk analysis examines consequences and likelihood to determine a risk rating that supports the priority of actions for managing risks. The risk matrix provides parameters for risk analysis to ensure a consistent approach. Following assessment, risk management plans and controls for individual risks are developed and implemented by management. Risks are assessed on a bi-annual basis.

The below diagram sets out the roles and responsibilities of key risk functions within the Group.



b) Privacy and Information Security

In response to the increasing cyber security risk landscape, a dedicated Chief Information Security Officer was appointed in 2023 to assist the Chief Information Officer oversee the Group's cyber security and response framework.

Strategies deployed by the Group to help protect, detect, monitor, assess and strengthen resilience to cyber threats and privacy breaches include:

- continuous monitoring of the network
- vulnerability assessments
- technical and system tools and protections
- employee privacy and cyber security education and training
- IT, cyber security, information management and privacy related policies, guidelines and incident response documents.

Eagers Automotive became aware of a cyber incident in late December 2023. This was announced to the market in late December 2023, and reported to relevant privacy regulators in early January 2024. Accordingly, any further information on the cyber incident will be included in the Group's Sustainability Report for the 2024 calendar year.

c) Ethics and Integrity

Our commitment to a culture of honesty, accountability and ethical behaviour is reflected in our adoption of 'Integrity' as one of our four corporate values. Ethical behaviours are promoted through a suite of Group-wide policies and procedures, including Anti-Bribery and Corruption Policy, Code of Conduct, Diversity Policy and Whistleblower Policy, many of which were reviewed and updated during the year, and our newly developed Employee Manual and Appropriate Workplace Behaviours Policy.

We encourage and support our employees, customers and stakeholders to speak up about unethical behaviour and our integrity reporting framework provides a safe avenue through which concerns (including eligible whistleblower disclosures) can be raised. Anyone can confidentially and anonymously raise a concern via YourCall, an external and independently operated complaints avenue. Employees can also choose to report issues directly to their managers or other senior personnel in accordance with our Complaints Management Policy, which was also reviewed and revised this year.

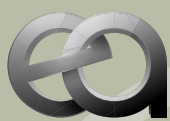
Disclaimer and Disclosures

This report contains forward-looking statements in relation to Eagers Automotive Limited and its controlled entities (collectively the **Eagers Automotive Group** or **Group**), including statements setting out the Group's intent, goals, objectives, initiatives, commitments and current expectations in relation to the Group's business and operations, external conditions and risk management practices.

This report also includes forward-looking statements regarding climate change and other environmental and social considerations. While these statements are based on the Group's good faith assumptions as to the risks and opportunities likely to affect the Group's business and operations in the future, the Group does not give any assurance that any assumptions will eventuate or prove correct or accurate, as there are many intervening factors which are outside the control of the Group. As such, no undue reliance should be placed on these statements.

The Eagers Automotive Group also advises that due to its decentralised business structure and maturing approach to sustainability reporting, data and information gathered and reported may be incomplete or inaccurate, despite the Group's best efforts. The continued development, implementation and improvement of appropriate data gathering tools and systems is a key focus for the Group going forward.

Topic	Accounting Metric	Page
Energy Management in Retail & Distribution	Total energy consumed	18
Data Security	Description of approach to identifying and addressing data security risks	20
	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of customers affected	20
Labour Practices	(1) Average hourly wage and (2) percentage of in-store employees earning minimum wage, by region	9
	(1) Voluntary and (2) involuntary turnover rate for in-store employees	10
	Total amount of monetary losses as a result of legal proceedings associated with labour law violations	10
Workplace Diversity & Inclusion	Percentage of gender representations for (1) management and (2) all other employees	8
	Total amount of monetary losses as a result of legal proceedings associated with employment discrimination	8
Product Sourcing, Packaging & Marketing	Discussion of processes to assess and manage risks and/or hazards associated with chemicals in products	15
	Discussion of strategies to reduce the environmental impact of packaging	16



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