

# SUSTAINABILITY AND ESG REPORT



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# MESSAGE FROM OUR MANAGING DIRECTOR

Dear Stakeholders,

I am pleased to present APR Group's Sustainability and ESG Report for the fiscal year 2023. As the Managing Director, I am proud to share our progress and initiatives in the pursuit of sustainable business practices, specifically in the field of recycling.

At APR, we believe in the power of responsible business to make a positive impact on the environment and society. Our commitment to sustainability is deeply ingrained in our corporate values, and we view it as an integral part of our overall business strategy.

#### **Environmental Stewardship:**

One of our core missions is to contribute to environmental conservation through effective recycling practices. We understand the urgent need to address global environmental challenges, particularly the growing concern of waste management. In the past year, we have intensified our efforts to minimise our ecological footprint and be at the forefront of and promoting Australia's circular economy.

#### **Community Engagement:**

Sustainability is a collective effort, and we recognise the importance of engaging with our local communities. Our outreach programs have focused on environmental education, waste reduction campaigns, and partnerships with local organisations to promote recycling awareness. We have enjoyed hosting an average of 2 sessions per week over the last year that have included Victorian school children, local government councils, business groups and associations over the past year.



"We are excited to be at the forefront of innovation within the Australian recycling industry"

# MESSAGE FROM OUR MANAGING DIRECTOR

#### **Key Achievements:**

- Waste Reduction: Through innovative recycling processes, we have successfully reduced the amount of waste destined for landfills by 18.5% compared to the previous year. This milestone underscores our dedication to minimising environmental impact and promoting a circular economy.
- Resource Recovery: Our commitment to resource recovery has resulted in an 7.5% increase in the extraction and reuse of valuable materials from discarded products. By turning waste into a valuable resource, we contribute to a more sustainable and responsible approach to materials management.
- Transport Carbon Footprint Reduction: The strategic establishment of our new site in the North has yielded a notable reduction in our transport-related carbon footprint. This expansion has allowed us to optimise logistics, minimising emissions associated with transportation while enhancing our operational efficiency. We are proud to embrace sustainable growth practices that prioritise environmental responsibility.

#### **Looking Forward:**

As we reflect on our achievements, we acknowledge that the journey towards sustainability is an ongoing process. APR Group remains committed to continuous improvement, exploring new technologies, and collaborating with industry partners and stakeholders to further enhance our environmental performance.

I extend my gratitude to our dedicated team, valued customers, and supportive stakeholders who have played a crucial role in our sustainability endeavours. Thank you for your continued trust and belief in us. Together, we can create a more sustainable and resilient future.

Sincerely,

Darren Thorpe
Managing Director

# INTRODUCTION

As we navigate the intricate intersection of business and environmental responsibility, this report serves as a transparent account of our commitment to sustainable practices and the progress we've made in fostering a more resilient and responsible future.

In a world facing unprecedented environmental challenges, APR Group recognises the imperative for businesses to lead the way in mitigating their impact on the planet. Our steadfast dedication to sustainability is not merely a corporate responsibility; it is a fundamental aspect of our business, identity and mission.

#### Our Vision: A Sustainable Tomorrow

At APR, we envision a future where economic prosperity harmonises with environmental stewardship. This report outlines the strategies, initiatives, and results that demonstrate our ongoing efforts to integrate sustainability into every facet of our operations.

#### Key Focus Areas: People, Planet, and Prosperity

Our commitment extends beyond profit margins. We understand that true sustainability encompasses social responsibility, environmental conservation, and economic resilience. Throughout this report, you will find detailed insights into our initiatives across these three crucial pillars: People, Planet, and Prosperity.

#### Transparency and Accountability

In the spirit of transparency, we present our achievements, challenges, and the lessons learned on our sustainability journey. By holding ourselves accountable, we aim to foster a relationship of trust with our stakeholders, acknowledging the shared responsibility we bear for the well-being of our planet and communities.

#### Collaboration for Impact

Sustainability is a collective endeavour that requires collaboration and shared responsibility. We express our gratitude to our employees, customers, partners, and the communities we serve for their unwavering support. Together, we can drive positive change and build a more sustainable and equitable world.

As you peruse this report, we invite you to reflect on the progress we've made and the challenges that lie ahead. Your insights and feedback are invaluable as we continue to refine our strategies and contribute meaningfully to a sustainable tomorrow. Thank you for joining us on this journey towards a more sustainable future.

### SUSTAINABILITY

APR Group operates across the Victorian resource recovery sector and thus environmental branch of sustainability, we recognise our impact of our policies, procedures and investment has on the people that make up our business.

Sustainability encompasses more than environmental impact and longevity, we at APR Group define sustainability as "the sustainability of the planet, people, and prosperity." This comprehensive approach guides our actions as we operate in the dynamic landscape of commingle recycling.

#### Social Responsibility

At APR Group, we believe that social responsibility is a cornerstone of true sustainability. We understand that our commitment to the planet must also extend to the well-being of our employees, communities, and stakeholders. Our policies prioritise health and safety, fair labor practices, and community engagement.

#### Employee Well-being

We invest in the health and well-being of our employees, fostering a safe and inclusive work environment. By prioritising their physical and mental health, we ensure that our team can thrive both personally and professionally.



"At APR, we do things differently, we focus on innovation and always exploring ways to recycle materials otherwise destined for landfill"

# SUSTAINABILITY

#### Community Engagement

APR Group actively engages with the communities we serve. Through educational programs, outreach initiatives, and partnerships with local organisations, we strive to raise awareness about recycling and environmental stewardship.

#### **Economic Resilience**

Prosperity is a vital component of sustainability, and we recognise the role of economic resilience in achieving long-term success. By implementing efficient processes, fostering innovation, and contributing to local economies, APR Group aims to create a sustainable business model.

#### Innovation and Efficiency

We continuously invest in cutting-edge technologies and processes that enhance the efficiency of our recycling operations. This not only minimises our environmental impact but also ensures the long-term viability of our business.

#### Local Economic Impact

APR Group is committed to being a positive force in the communities where we operate. We actively seek local partnerships, source materials responsibly, and contribute to the economic growth of the regions we serve.

In conclusion, our commitment to sustainability goes beyond resource recovery; it extends to the planet, the people within our organisation, and the prosperity of the communities we engage with. By adopting a holistic view of sustainability, APR Group is dedicated to being a responsible steward of the environment while simultaneously prioritising the well-being of our employees and contributing to the economic resilience of the regions we call home. Together, we can build a future that is sustainable for the planet, the people, and prosperity alike.



### **SUSTAINABILITY POLICY**

#### Our guiding principles:

- We take the lead in the industry and speak up on issues that matter
- We take care of our people and unlock their full potential
- We have a positive impact on our planet
- We apply circular thinking in everything we do

#### Planet and environment

Maintaining the health of our planet is critical. It's one of the reasons why we strive to reduce environmental impact through the resource recovery and recycling services we provide, the investments in innovations that we make and the way we operate our business.

#### People

We continue to build a culture of operational excellence; focused on diversity, equity and inclusion, and providing safe, secure and meaningful employment for our people. It's only through our people that we can fulfill our mission of making a sustainable future possible together.

#### **Economic**

Building a better tomorrow means evolving the way we do business to embrace circular thinking; which means all waste is a resource.

#### The Future

At APR Group we are committed to leading the way in moving towards a circular waste value chain. This will create shared value for the environment, our communities and our employees.

#### Our environmental commitment

APR Group is dedicated to making a sustainable future possible. We do this by providing environmentally beneficial and sustainable services, products and solutions to customers and our local communities that result in reduction of waste, and increased resource recovery, recycling and reuse of waste materials. Our aim of 'No Harm' to the environment means that we are continually looking for ways to improve our environmental standards for the benefit of the environment, our employees, and the community.

We believe that the highest standards in environmental performance are crucial to the success and sustainability of our business. APR Group is committed to the continual improvement of its environmental performance, including complying with all relevant environmental legislation and to the prevention of pollution. By continuing to identify and manage environmental impacts, APR Group will

maintain industry leadership, deliver value to the community, help ensure longevity of our business and reduce our running costs.

#### Responsible production and consumption

APR Group has a role to play in the sustainable management and use of natural resources, the responsible management of waste, and supporting reduction in waste generation. We believe that recovery of resources is imperative, and therefore we focus on extracting the maximum potential from every tonne of recycling material we receive.

We are continually looking at ways to expand our innovative resource recovery and recycling, which reduces our greenhouse gas emissions by diverting waste from landfill and reduces demand for primary raw materials.

### **MODERN SLAVERY POLICY**

Modern Slavery is a heinous crime and a violation of fundamental human rights, as defined by the Australian Modern Slavery Act 2018 (the Act). It encompasses eight forms of severe exploitation:

- Trafficking in persons
- Slavery
- Servitude
- Forced marriage
- Forced labor
- Debt bondage
- Deceptive recruiting for labor or services
- The worst forms of child labor, referring to situations where children are subjected to slavery, similar practices, or engaged in hazardous work.

#### Objectives of this Policy:

- 1. Prevention, Detection, and Response: To prevent, detect, and respond with mitigating controls to the risk of Modern Slavery within APR Group, its supply chain, or any other business relationships.
- 2. Compliance: Demonstrate APR's commitment to conducting business only with entities fully compliant with the Act and ensure ongoing compliance with any amendments.

#### Scope:

This policy applies to all individuals associated with APR Group, whether as employees, directors, officers, volunteers, interns, external consultants, third-party representatives, or business partners.

#### **Policy Statement:**

APR Group upholds a zero-tolerance approach to Modern Slavery, pledging to act ethically and with integrity in all business dealings. We are dedicated to implementing effective systems and controls to ensure Modern Slavery is eradicated from our operations and supply chains. Transparency is paramount in our approach to tackling Modern Slavery across our business and supply chains.

#### Responsibilities:

The prevention, detection, and reporting of Modern Slavery are the shared responsibilities of everyone associated with APR Group. Employees, including contractors, are encouraged to promptly raise concerns about potential Modern Slavery breaches within APR's supply chains or business.

#### **Expectations from Partners:**

APR Group sets high standards for contractors, suppliers, and other business partners. Our contracting processes explicitly prohibit the use of forced, compulsory, or trafficked labor, and the enslavement of individuals, irrespective of age. We expect suppliers to uphold the same high standards within their own supply chains.

### PRIORITY SDG'S

The Sustainable Development Goals (SDGs) comprise 17 interconnected actions designed to address global challenges and foster a more equitable, inclusive, and environmentally conscious world by 2030. Formulated by the United Nations during the Sustainable Development Conference in 2012, these goals serve as a framework for comprehensively addressing societal and environmental issues. Over the years, they have become a vital tool for assessing impact and identifying areas of improvement to enhance the business environment. We have proactively utilised the SDGs as a guide to evaluate our impact, align our targets, and ensure that our operations make a positive contribution to the global pursuit of sustainability.

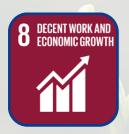
At APR Group, our commitment to sustainability goes hand in hand with our dedication to addressing critical global challenges. As a privately owned recycling company, we actively contribute to and align with key sustainability goals that drive positive change. Here's how our operations relate to each of the selected priorities:

#### Gender Equality:



Inclusive Workforce: We recognise the importance of gender equality in the workplace. We foster an inclusive environment that promotes diversity and equal opportunities for all. Our commitment to gender equality extends from our hiring practices to professional development, ensuring that our workforce is representative and diverse.

#### Decent Work and Economic Growth:



Job Creation and Skill Development: APR Group plays a role in promoting decent work and economic growth by creating job opportunities and investing in skill development. Through our operations, we contribute to the growth of the local economy, providing meaningful employment opportunities that contribute to the well-being of our employees and the broader community.

### PRIORITY SDG'S

#### Innovation:



Pioneering Recycling Practices: APR Group is committed to innovation in waste management. By adopting cutting-edge recycling technologies and practices, we contribute to the global push for innovation. Our focus on continuous improvement ensures that we stay at the forefront of sustainable business practices and positively impact the industry.

#### Sustainable Cities:



Waste Management for Urban Sustainability: We actively support the goal of creating sustainable cities by offering efficient waste management solutions. Our recycling processes contribute to cleaner and more sustainable urban environments, reducing the ecological impact of waste disposal and fostering a circular economy in Australia and around the world.

#### Responsible Production:



Resource Recovery and Responsible Material Management: APR Group aligns with the goal of responsible production by prioritising resource recovery and responsible material management. Through our recycling processes, we actively reduce the demand for new raw materials, promoting a more responsible and sustainable approach to production.

#### Climate Action:



Transition to Renewable Energy and Reduced Carbon Footprint: We are dedicated to climate action. Our transition to renewable energy sources significantly reduces our carbon footprint, aligning with global efforts to combat climate change. Additionally, our strategic site expansion in the North allows for optimised logistics, further reducing our transport-related carbon footprint.

In summary, we proudly integrate these six sustainability goals into our daily operations, recognising that our actions contribute to the global movement for positive change. We are committed to being a responsible and innovative force for sustainability, striving to make a lasting impact on the world around us.

# ENVIRONMENTAL IMPACT

#### **Australian Paper Recovery**

IMPACT FOR FY23 PER TONNE RECYCLED		
Total CO2 from power usage	0.006 tonnes	
Monthly CO2 average	0.0005 tonnes	
Daily kWh average	0.020 kWh	
Total water usage	0.006 Kilolitres	







# ENVIRONMENTAL IMPACT

#### **APR Kerbside**

IMPACT FOR FY23 PER TONNE RECYCLED			
Total CO2 from power usage	0.044 tonne		
Monthly CO2 average	0.004 tonne		
Daily kWh average	0.117 kWh		
Daily solar contribution average			
Solar contribution produced			
Total water usage	0.054 Kilolitres		











# ENVIRONMENTAL IMPACT

#### **APR Plastics**

IMPACT FOR FY23 PER TONNE RECYCLED			
Total CO2 from power usage	0.029 tonnes		
Monthly CO2 average	0.002 tonnes		
Daily kWh average	0.078 kWh		
Total water usage	0.063 kilolitres		



"We're excited about turning unwanted soft plastics into synthetic crude oil to help reduce the amount of fossil fuels used in packaging."





# **GENDER EQUALITY**

#### **OUR OVERALL WORKPLACE LOOKS LIKE:**



Women represent 45% of our total workforce including labour hire, with eight in leadership positions.

We are committed to fostering an inclusive work environment that prioritises gender balance, embraces the inclusion of Indigenous peoples, and recognises the importance of a diverse team consisting of a range of ethnicities, beliefs, and genders. We firmly believe that such diversity leads to higher performance outcomes, increased work satisfaction, and maximises innovation. Research shows that when women are in leadership positions, it not only enhances collaboration but also inspires organisational dedication and improves fairness.

Our commitment extends beyond mere rhetoric, as we actively provide opportunities for our team members to elevate their job performance and advance their careers. By emphasising diversity and supporting professional development, we aim to create a workplace that values and nurtures the unique strengths of each individual.





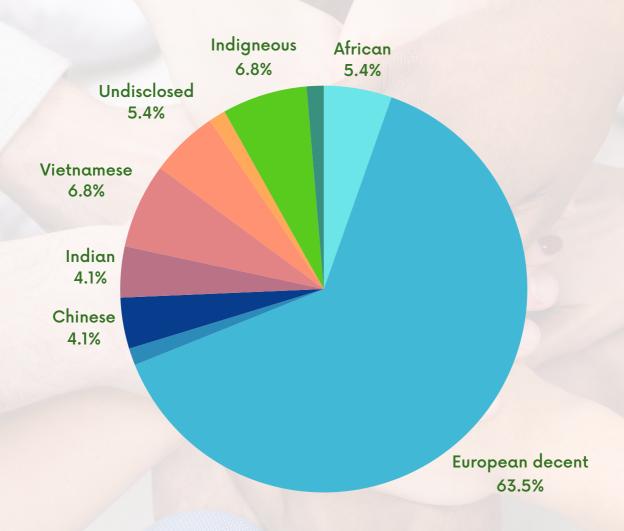


**2024 Target:** Increase women in leadership positions to 50%

### DIVERSITY

#### **OUR WORKPLACE LOOKS LIKE:**

Ethnic background of the APR Group family





**2024 Target:** Increase employment of Indigenous peoples to 10% of workforce

# **OUR TEAM**

#### **PERMANENT EMPLOYEES**

	FY21	FY22	FY23
Male	31	32	35
Female	23	27	34
Total	54	59	69



# NEW EMPLOYEES AND EMPLOYEE TURNOVER

FY23	New Hires	Turnover	
Total	28	18	



### SOCIAL IMPACT



For the past two decades, Australian Paper Recovery has proudly and consistently supported the MAD Foundation. Dedicated to improving the lives of disabled and disadvantaged children and young people, MAD Foundation provides funding for life-changing support equipment and services that these individuals might otherwise be unable to afford. Run entirely by volunteers and registered as a not-for-profit organisation, MAD has become a significant focus of APR's philanthropic efforts.

As a major partner, APR Group actively contributes to making a meaningful difference through MAD. In recent years, the majority of our funding has been directed to specific cases identified through the Department of Neurodevelopment and Disability at the Royal Children's Hospital Melbourne, in addition to other hospitals, disability programs, and charities. MAD has successfully funded programs through notable organisations such as TLC for Kids, Reach, Whitelion, and Western Chances.

#### **TOTAL DONATED SINCE 2015: \$305,650**



Latrobe Valley Enterprises (LVE) provides real and transferrable employment opportunities for people with disabilities, that will encourage their independence. Giving them the ability to integrate and participate as fully as possible in the life of the general community.

APR Group have donated the use of one of our trucks and a baler to process materials so the LVE team can provide recycling services to the Latrobe Valley community.



**2024 Target:** \$80,000 total donated to social enterprises

### INNOVATION

Innovation stands at the forefront of APR Group's mission as we embark on an exciting journey to integrate pyrolysis technology into our operations. Pyrolysis, a revolutionary process involving the decomposition of organic materials through high temperatures in the absence of oxygen, signifies a substantial leap forward in our commitment to sustainable and environmentally friendly recycling practices.

With the incorporation of pyrolysis, we are set to revolutionise the recycling landscape by addressing the challenges associated with traditional waste disposal methods. This cutting-edge technology enables us to convert problematic soft plastic materials, previously polluting the environment, into valuable resources such as biofuels and char. By harnessing the power of pyrolysis, we not only minimise the environmental impact of a problematic waste stream but also contribute to the creation of renewable material sources, fostering a circular economy.

Our investment in pyrolysis underscores our dedication to staying at the forefront of industry trends and embracing solutions that align with our commitment to sustainability. This innovative approach not only sets us apart in the recycling sector but also positions APR Group as a leader in driving positive change for the environment. Through pyrolysis, we are not merely managing waste; we are transforming it into a valuable asset while simultaneously reducing our carbon footprint.

As we introduce pyrolysis into our operations, we are enthusiastic about the positive impact it will have on our business, the community, and the planet as a whole. This innovative step forward reflects our unwavering belief that sustainable practices and ground-breaking technologies are essential for creating a greener and more resilient future

And our commitment doesn't end there; we allocate a minimum of \$100,000 per year to our innovation fund, continuing to investigate and trial new and exciting processes and technologies to improve our resource recovery and recycling operations.









# MEASURING PROGRESS

Target	Description	Actions	Deadline
1	Increase sites using solar power to 40%	Install a solar power system to Bacchus Marsh site	30/6/2026
2	Increase women in leadership positions to 50%	Prioritise training and up-skilling of female staff in readiness for leadership positions	30/6/2024
3	Donated to social enterprises	Commit to regular funding of MAD and LVE programs to a value of \$80,000	30/6/2024
4	Implement actions from Modern Slavery policy	Complete a written audit of 100% of our supply chain	30/6/2025
5	Increase employment of Indigenous peoples' to 10%	Utilise labour hire recruitment firm A to B for new hires in the first instance.	30/6/2025
6	Innovation fund	S100,000 allocated to research and development of innovative recycling, processing or additional material recovery	30/6/2024
7	Increase diversion rate	Increase diversion of soft plastics from landfill by 40,000 tonnes	30/6/2027

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# MATERIAL DIVERSION FROM LANDFILL

Total tonnes diverted from landfill and recycled.



\*\*Predictions for increased diversion of materials including soft plastics currently going to landfill with the commissioning of our Bacchus Marsh Pyrolysis site in FY24

tonne of problematic soft plastics diverted from landfill each day once Bacchus Marsh plant has been commissioned

250,000

Approximate pieces of soft plastics to be diverted from landfill each day

100% Committed to circularity in the Australian plastic market

# CONCLUSION

As we bring this journey through 2023 to a close, we reflect with pride on the strides made in our ongoing commitment to sustainability at APR Group. The past year has been a testament to our dedication to the triple bottom line — people, planet, and prosperity.

Environmental Impact and Resource Recovery: Our relentless pursuit of innovative recycling practices has resulted in significant reductions in waste sent to landfills and increased resource recovery. We are pleased to report that our environmental initiatives have not only met but surpassed our targets, underlining our role as a responsible steward of the planet.

Social Responsibility: At the heart of our sustainability efforts lies a commitment to the well-being of our employees and the communities we serve. Through investment in employee health and safety, community engagement, and educational outreach, we are nurturing a sustainable social ecosystem that extends beyond our operational boundaries.

Economic Resilience: Economic prosperity is integral to the sustainability equation. By embracing efficiency, fostering innovation, and contributing to local economies, APR Group has positioned itself as a resilient force in the recycling industry. We recognise the symbiotic relationship between economic strength and environmental responsibility.

Aligning with Global Goals: Our journey has been guided by the principles embedded in the United Nations' Sustainable Development Goals (SDGs). These global benchmarks have not only shaped our approach but also served as a compass, ensuring that our actions align with the broader global pursuit of a sustainable and inclusive future.

As we look to the future, our commitment to sustainability remains unwavering. We acknowledge that challenges persist, but we embrace them as opportunities for growth and improvement. APR Group is poised to continue leading the way in sustainable resource recovery, pushing boundaries, and setting new standards for the industry.

# CONCLUSION

In conclusion, we stand at the intersection of responsibility and possibility. The path to sustainability is ongoing, and APR Group remains resolute in our commitment to creating a world where recycling is not just a solution but a way of life. Together, let us forge ahead, building a sustainable future one recycled material at a time.



#### **PEOPLE**

- Employee Health and safety
- Education outreach programs
- Community engagement
- Philanthropy



#### **PLANET**

- Increasing diversion rates
- Innovative technology to increase materials diverted from landfill
- Environmental compliance



#### **PROSPERITY**

- Investing in innovative circular technology
- Social responsibility
- Sustainable business growth and development

#### **OUR VISION**

Empowering a sustainable future, APR envisions a world where waste becomes a valuable resource. We strive to lead the way in innovative recycling solutions, fostering environmental stewardship, and inspiring a global community committed to reducing, reusing, and recycling for generations to come. Our vision is a circular economy where every discarded material finds a purpose, creating a cleaner, healthier planet for all.

### **ACKNOWLEDGEMENTS**

We extend our heartfelt gratitude to our dedicated team, customers, partners, and stakeholders who have been instrumental in our sustainability journey. Your support has been invaluable, and we are inspired by the collective impact we can make when we work together toward a common goal.

Thank you for joining us on this transformative journey.



We thank you for your continued support in our efforts to contribute to the SDGs.

#### APR Group

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