

# ESG Framework & Sustainability Report

2023



# TABLE OF CONTENTS

<b>INTRODUCTION AND OVERVIEW</b>	<b>02</b>
Message from our CEO	03
About Us	04
About This Report	05
Our Methodology	06
Our ESG Framework	07
<b>ENVIRONMENT</b>	<b>08</b>
Climate Change	09-12
<b>SOCIAL</b>	<b>13</b>
Our People and Community	14-21
<b>GOVERNANCE</b>	<b>22</b>
Risk Management	23

## MESSAGE FROM OUR CEO

### Founded on Circular Economy principles, ESG is the foundation of our business.

Sustainability and ESG principles have been central to our development since we commenced business in 1997.

We work with our customers to capture environmental, social and financial value by enabling circular economy elements throughout their property portfolio.

Environmental and financial outcomes can be achieved by implementing portfolio wide reuse programs. Remanufacturing new products using salvaged material increases landfill avoidance and demonstrates circularity.

Maximising the value of assets that are sold through wholesale and resale markets optimises the returns to support our charitable partners.

We are uniquely positioned to help customers manage assets at all stages of their business cycle, whether purchasing, relocating, reconfiguring or disposing of products.

Our transparent granular reporting at an asset and material level ensures our customers continue to support a circular approach to the management of their assets.

Our vision is that there will be no need for landfill in the future.

We're pleased with our social impact through investments in developing the capabilities, skills, and leadership of our people, along with our charitable contributions towards poverty and homelessness in line with the United Nations Sustainable Development Goals (SDGs).

Our governance is centred on a compliance culture with robust systems to effectively manage risk and support continuous improvement.

#### ANDREW EGAN

CEO



#### Acknowledgement of Country

In the spirit of reconciliation Egans acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community. We pay our respect to their Elders past and present and extend that respect to all Aboriginal and Torres Strait Islander peoples today.





## ABOUT US

TO ACHIEVE BUSINESS SUCCESS WHILE LEAVING A POSITIVE IMPACT ON OUR PEOPLE, CUSTOMERS, COMMUNITIES AND THE ENVIRONMENT.

WE PROVIDE PHYSICAL ASSET MANAGEMENT SOLUTIONS TO MEET CHANGING WORKPLACE NEEDS TO SHIFT OUR CUSTOMERS INTO A MORE SUSTAINABLE FUTURE.

### ENVIRONMENT

We are in the business of managing assets efficiently, and within environmental limits. Our systems ensure that value and utility is retained, making smaller demands on natural resources.

Our circular economy business model allows us to collaborate with our customers to achieve the best possible environmental outcomes. Our extensive data management allows us to report those outcomes at a granular level.

### SOCIAL

We want our diverse and inclusive workforce to have a sense of purpose, belonging and growth. This enables our people to perform at their best when interacting with our customers and communities.

### GOVERNANCE

We are accountable and transparent. We respect the rules, behave ethically, and strive for continual best practice.

### EGANS LOCATIONS





## ABOUT THIS REPORT

# THIS ANNUAL ESG FRAMEWORK AND SUSTAINABILITY REPORT COVERS THE SUSTAINABILITY ACTIVITIES OF EGANS BUSINESS JULY 1ST 2022 TO JUNE 30TH 2023

This report highlights our commitment to responsible business practices and our progress in achieving our sustainability targets.

We understand that sustainable business practices are not only good for the planet and society, but are essential for long-term success in creating value for our people, customers and communities.

In this report, we provide an overview of our ESG targets, initiatives and their impact, as well as our ongoing efforts to continually improve our practices and performance.

We recognise that sustainability is an ongoing journey, and we are committed to learning, adapting and evolving as we shift towards a more sustainable future.





## OUR METHODOLOGY

Founded on circular economy principles, our business methodology uses a cascading process of material management.

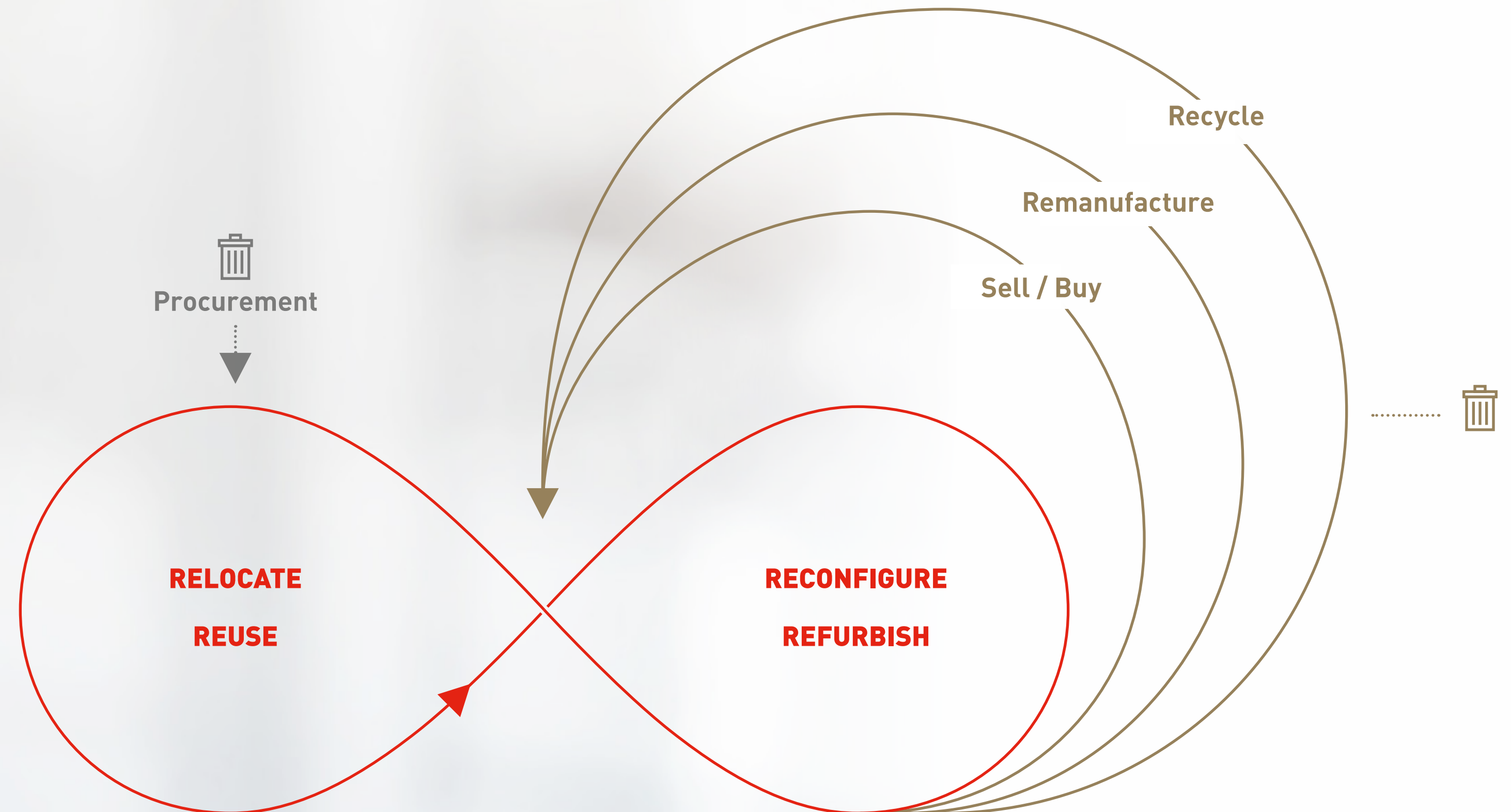
We employ 7 methods of extending useful life, with a relentless focus on reuse.

By maintaining a circular product cycle we can achieve near infinite reuse of materials, and allow us to target zero landfill outcomes.

Working at both product and material level allows us to support continued reuse, and best practice disposal of valuable product and material.

1. Relocate
2. Reuse
3. Reconfigure
4. Refurbish
5. Sell / Buy
6. Remanufacture
7. Recycle

## CIRCULAR ECONOMY WORKFLOW



# OUR ESG FRAMEWORK

Egans have identified 5 priority United Nations Sustainable Development Goals (SDGs), ESG issues and focus areas where we know we can make a substantial impact.

We recognise the importance of reporting our progress in a clear and transparent manner. Our ESG Framework is used to measure and optimise our commitments and value.

We continue to explore new ways to address ESG issues and increase our focus areas in alignment with SDGs.

## ENVIRONMENT

### CLIMATE CHANGE

- WASTE MINIMISATION
- REDUCE EMISSIONS THROUGH DECARBONISATION
- SUSTAINABLE INDUSTRIALISATION



## SOCIAL

### OUR PEOPLE

- CAPABILITY DEVELOPMENT
- SKILLS AND LEADERSHIP
- CULTURE
- DIVERSITY AND INCLUSION



### COMMUNITY

- POVERTY AND HOMELESSNESS

## GOVERNANCE

### RISK MANAGEMENT

- WORKPLACE HEALTH AND SAFETY
- COMPLIANCE
- REPORTING





# Environment

Egans has been focused on reducing the impacts of climate change since our inception. We are committed to transparent reporting and the responsible reuse of natural resources.

Our circular economy business model allows us to collaborate with our customers to achieve the best possible environmental outcomes. Our extensive data management allows us to report those outcomes at a granular level.





## CLIMATE CHANGE 2026 TARGETS AND PROGRESS

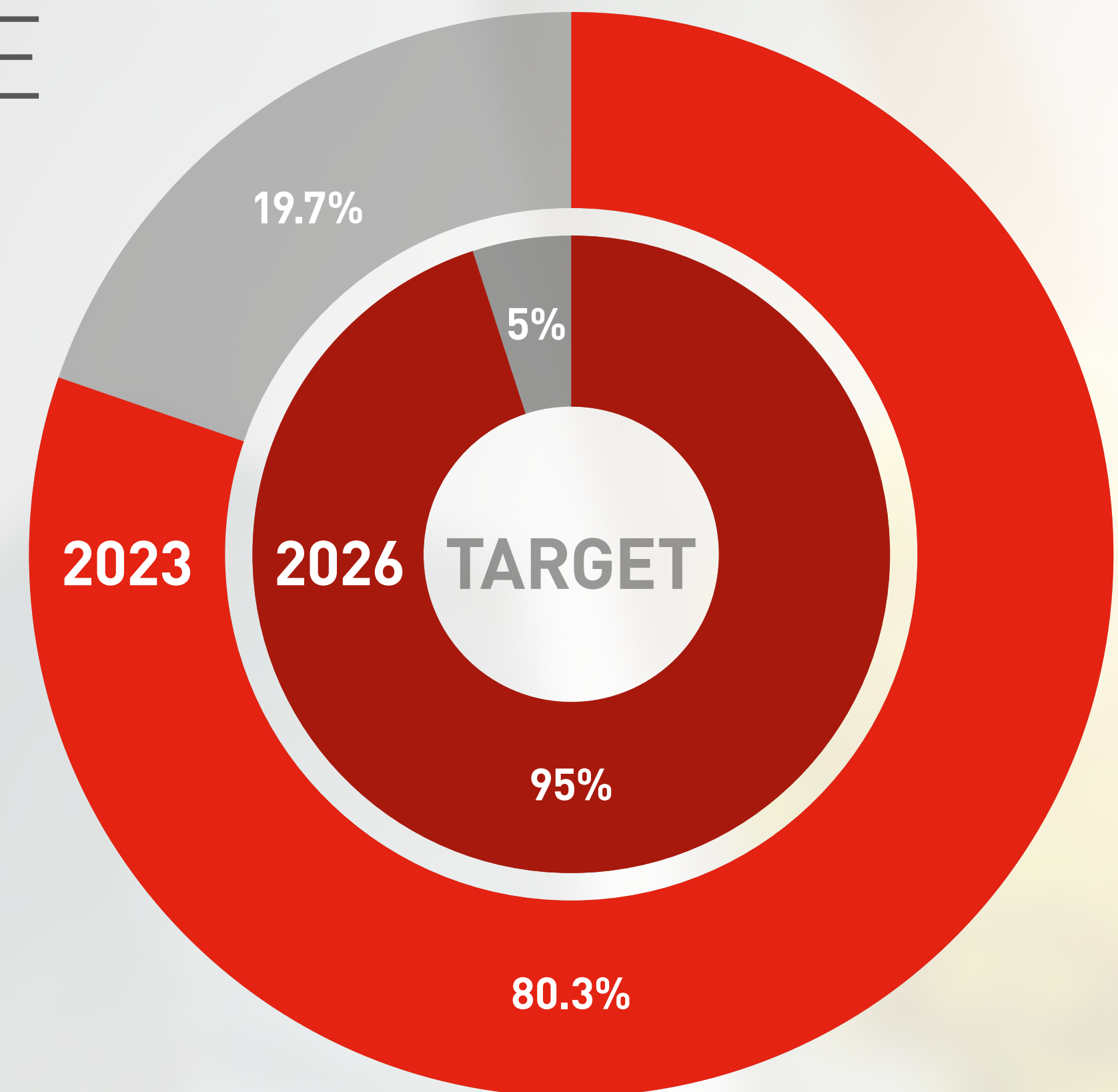
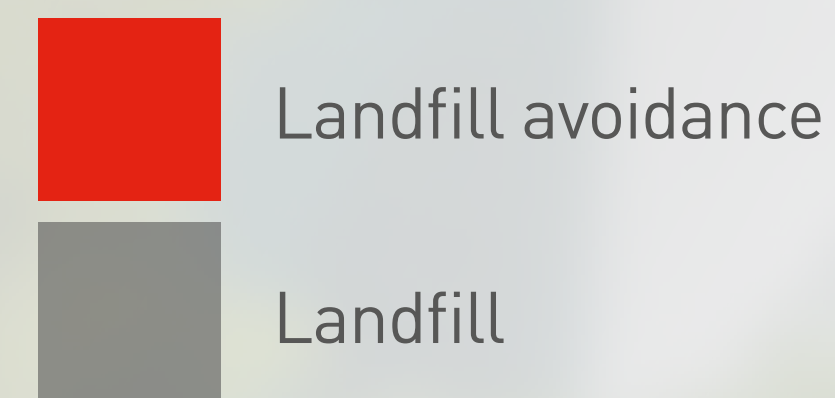
### WASTE MINIMISATION

To keep momentum going to reach our 95% of assets diverted from landfill target, we will continue to source new pathways for the material we produce through our resource recovery centres. We will continue to collaborate with our customers to manage material at a procurement level.

Less waste in = less waste out.

# OFFICE FURNITURE WASTE DIVERTED FROM LANDFILL

In 2023, we successfully diverted 80.3% of assets from landfill. 53.3% of products and materials were reused and 27% processed through our resource recovery centres.





## CLIMATE CHANGE OUR PERFORMANCE

Managing assets at a product and material level not only allows us to report at a granular level, it also allows us to develop skills and processes that continuously improve the outcome.

Material level reporting allows us to manage and report our customers progress towards decarbonising their property portfolio.

To arrive at 80.3% landfill avoidance took a multi-pronged approach. Our high quality furniture is sold through our network of retail outlets for future reuse. Through our resource recovery centres we managed the process at a material level. This combination allowed us to improve the overall outcome to what is currently considered best practice.

Remanufacturing is a key growth area for our business. Local remanufacturing using salvaged material provides both environmental and social value.

### WASTE MINIMISATION

Landfill Avoidance	Weight (kg)	%
	<b>1,519,629.2</b>	<b>80.3%</b>

Assets by weight*	kg	%
Reused	1,008,940.5	53.3%
Resource recovery	510,688.7	27.0%
Landfill	372,457.5	19.7%
<b>Total</b>	<b>1,892,086</b>	<b>100%</b>

Assets by quantity*	Number	%
Reused	81,406	67.7%
Resource recovery	33,250	27.7%
Landfill	5,571	4.6%
<b>Total</b>	<b>120,227</b>	<b>100%</b>

### REDUCE EMISSIONS THROUGH SUSTAINABLE DECARBONISATION

As part of our ongoing drive to innovate, we will further develop our carbon data management systems which will help our customers measure and report progress towards reducing their carbon footprints.

### SUSTAINABLE INDUSTRIALISATION

Remanufacturing Employment	Hours	% as a proportion of permanent employees
	<b>7,777</b>	<b>13%</b>

### REMANUFACTURING EMPLOYMENT

Our sustainable remanufacturing of workstations provides employment opportunities which promotes inclusive and sustainable industrialisation. Workstation component parts are recovered through our resource recovery centres and used for workstation remanufacturing in our workshops. Remanufactured workstations are delivered and installed to our customers premises.



## CASE STUDY

# ACCENTURE REMANUFACTURE, REUSE AND RELOCATION

Accenture required electric sit-stand workstations for their office premises on Collins Street in Melbourne, storage of furniture for future reuse and existing office workstations relocated and installed to a new Brisbane office premises to be reused.

### REMANUFACTURE

Workstation tops from salvaged component parts were fitted to sit-stand bases and delivered and installed to Accenture's Collins Street office.

### REUSE

Egans removed existing tables and chairs from Collins Street and stored these for future reuse.

### RELOCATION

We relocated and installed existing workstations from Accenture's Melbourne office to a new office in Brisbane.

Egans provided Accenture with a furniture fitout solution for two locations through remanufacture, reuse and relocation. This resulted in 100% landfill avoidance and an estimated 50% of furniture savings, compared to buying new furniture.

Our circular economy model supports Accenture's commitment to sustainability 'We embed sustainability into everything we do and with everyone we work with'.





## CASE STUDY

# RMIT UNIVERSITY REMANUFACTURE, REUSE AND RECYCLE

RMIT University were seeking an environmentally sustainable workstation solution for their Lygon Street premises.

### REMANUFACTURE

Workstation tops were remanufactured from salvaged component parts, customised with protruding back edges, then fitted to RMIT's existing workstation bases.

### REUSE

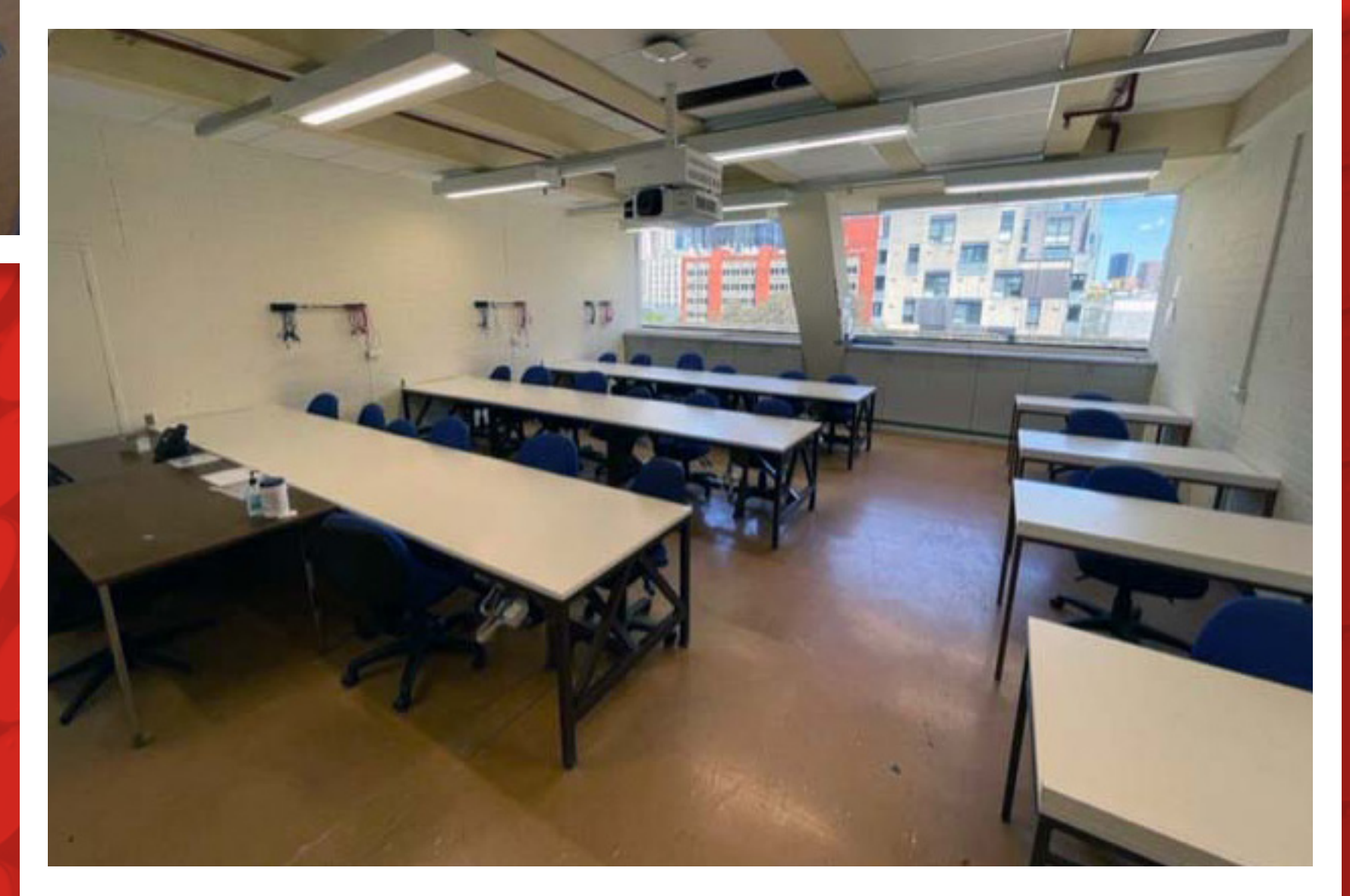
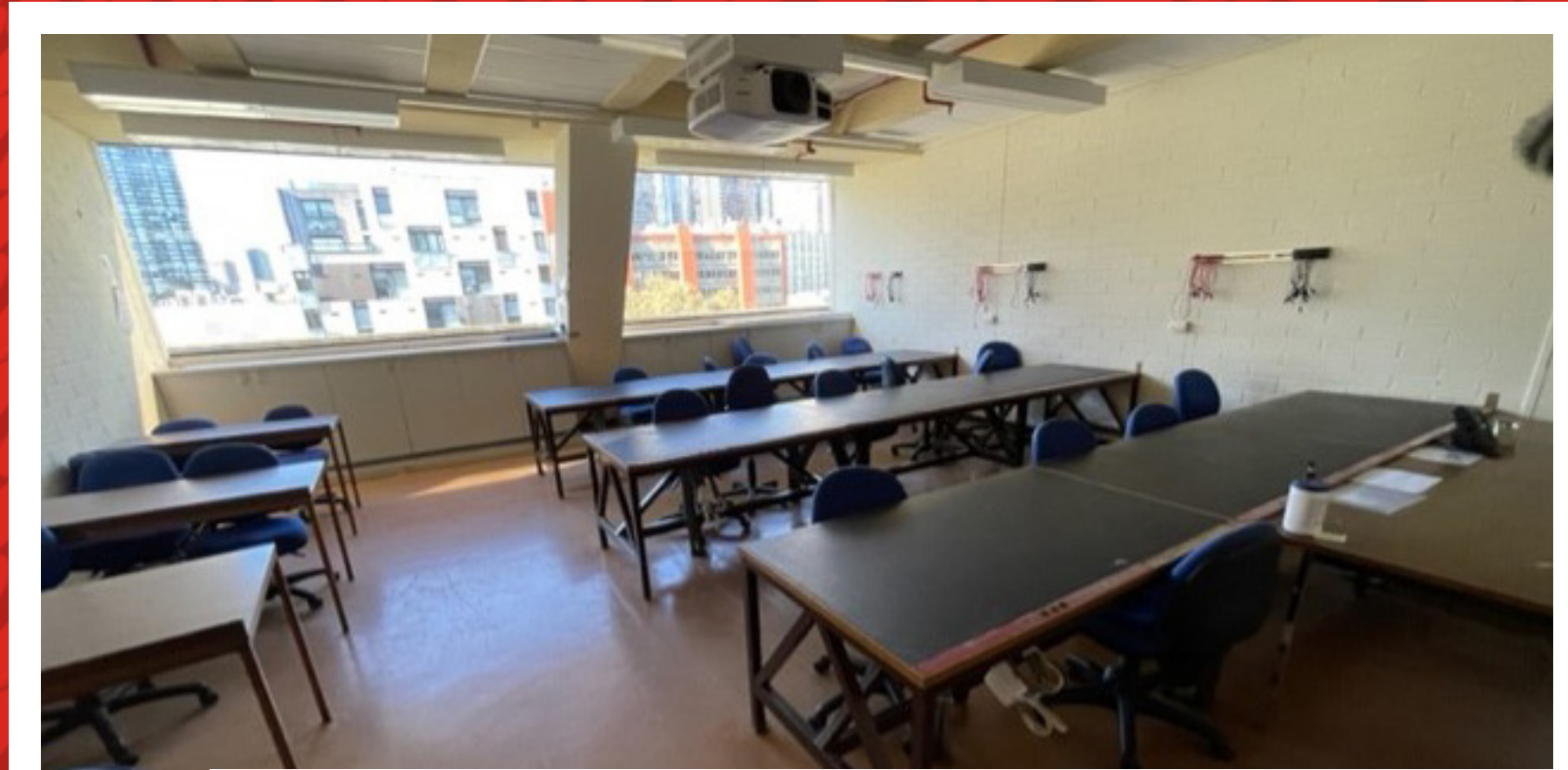
RMIT reused their existing workstation bases.

### RECYCLE

Redundant workstation tops were sent to Egans Melbourne resource recovery centre.

An environmental sustainability report was provided to RMIT which reported 100% landfill avoidance and other waste minimisation performance outcomes.

RMIT's remanufactured workstations will stay in the circular economy for years to come, helping RMIT reach their carbon neutral by 2025 target.





# Social

Our people are at the heart and soul of Egans and are responsible for providing value to our customers and communities. When our people thrive, our organisation does too. We realise to be successful and grow; we need to invest in developing the capabilities, skills, and leadership of our people to deliver on our strategy.

We recognise that having diversity amongst our people and fostering an inclusive culture can drive employee satisfaction, creativity, innovation and strengthen our decision making.

Our partnerships and connections with charity organisations has allowed us to impact the lives of vulnerable people and communities through our sponsorship of fundraising events, financial contributions and volunteering our people and services.





## OUR PEOPLE AND COMMUNITY 2026 TARGETS AND PROGRESS

### GENDER BALANCE RATIO

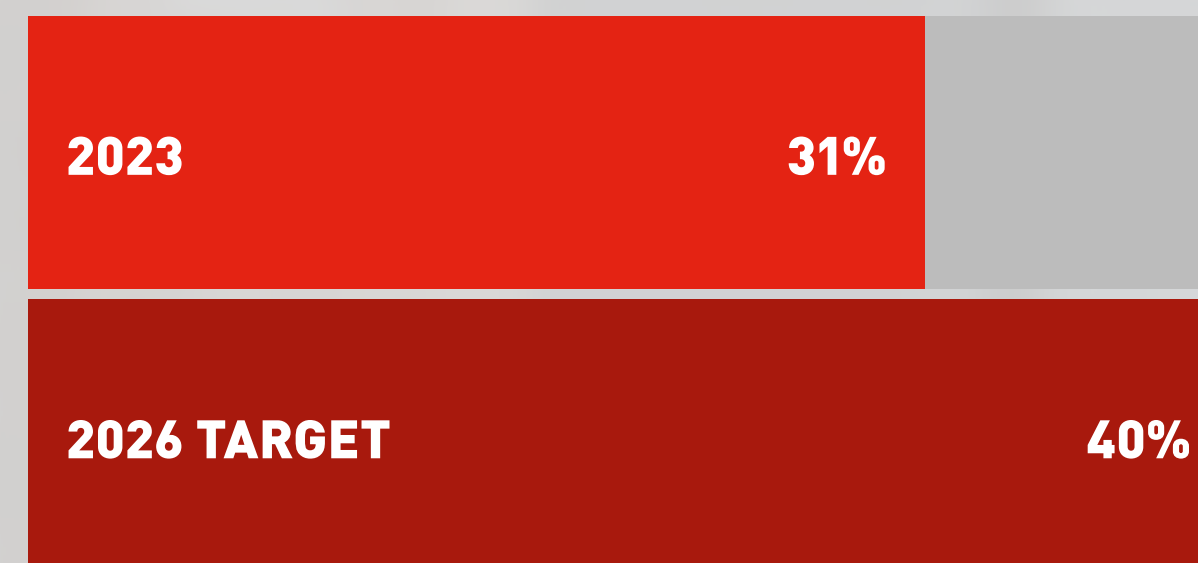
Egans are targeting a 60% male to 40% female gender ratio in a typically male-dominated industry. This is a significant step toward gender parity in the context of related industries. We are committed to improving gender equality and continue to develop initiatives to recruit and retain women within our workforce for a more diverse and inclusive workplace.

### THE FURNITURE FUND

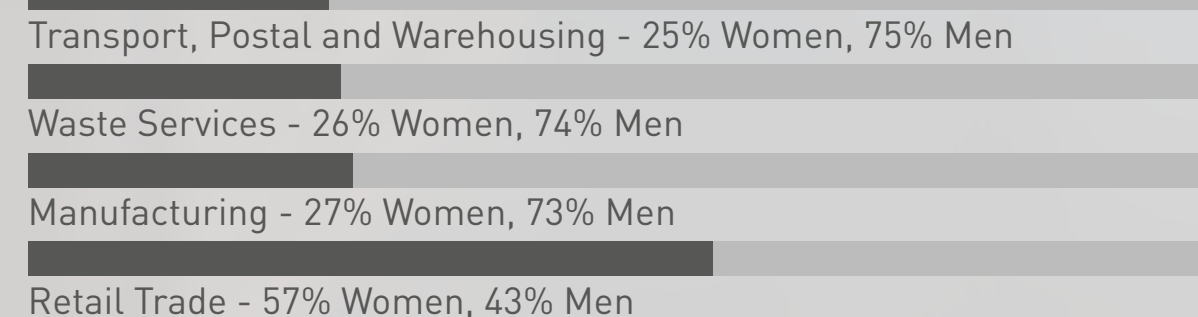
The Furniture Fund is a partnership program with the Property Industry Foundation which extends the life of furniture through reuse, reconfigure, refurbish and/or resell and unlocks significant financial value to help the Property Industry Foundation continue their important work.

## INCREASE GENDER BALANCE RATIO

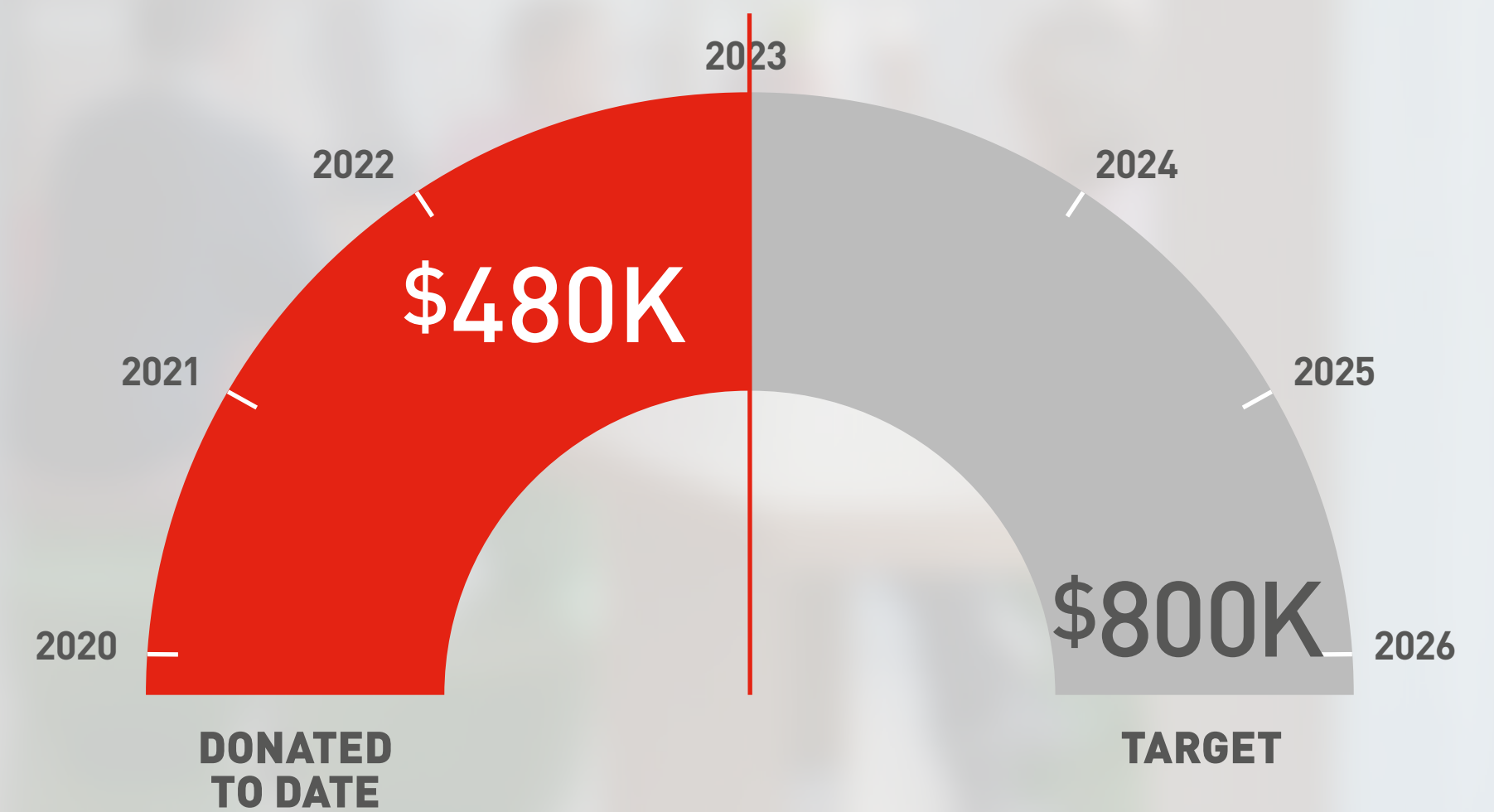
### FEMALE STAFF GENDER RATIO



### GENDER COMPOSITION BY COMPARABLE INDUSTRY\*



## FURNITURE FUND CHARITABLE DONATIONS





## OUR PEOPLE OUR PERFORMANCE

### CAPABILITY DEVELOPMENT

Egans regularly conducts technical training for our employees to develop the knowledge and skills required to partner with customers to achieve their environmental strategic objectives.

Hope Assistance Local Tradies (HALT) are a national grass-roots suicide prevention charity who raise awareness about mental health and connect people with local and national support services. HALT spoke to our employees on two occasions about mental health awareness, suicide prevention, drugs and alcohol. The discussion armed our employees with the knowledge and tools to support family, friends, colleagues and themselves in these areas.

We maintain a positive health and safety culture by providing safety training and licences for our employees to enhance their safety capabilities.



### SKILLS AND LEADERSHIP

Employees are assisted to undertake higher education spanning across the Australian Qualifications Framework (AQF). To foster leadership, our leaders participate in external events and access paid leadership and industry memberships. Selected leaders attend ongoing The Executive Connection (TEC) commitments.



### CULTURE

In June 2023, Egans launched its first Employee Engagement Survey which enabled our people to provide feedback on how they're feeling towards their work, team and Egans.

77 percent of our employees are proud to work for Egans and 71 percent would recommend Egans as a great place to work. Leadership, communication and teamwork were highly rated areas by our people.

To improve our engagement score, our people have told us they would like more recognition, clearer career pathways and an enhanced work environment. These areas will form part of the focus of our People Strategy for the coming year.

### EMPLOYEE ENGAGEMENT

Category	Total
Employee Satisfaction	70%
Response Rate	51%

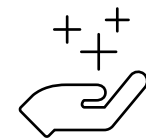

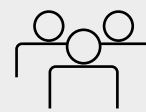

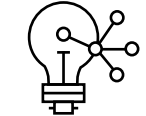





# OUR PEOPLE

## OUR PERFORMANCE

### REWARD AND RECOGNITION PROGRAM

Employee recognition acknowledges the positive contribution an employee has made to their colleagues, customers and community. Rewards provide positive reinforcement and promote behaviour that is aligned with Egans values.

VALUE	SDG CONTRIBUTION	Q1	Q2	Q3	Q4
<b>VALUE CREATION</b>  		<b>Operations Manager VIC CHAMPION WINNER</b> Complete our work efficiently, dependably and at the highest level of service	<b>Operations Manager NSW CHAMPION</b> Complete our work efficiently, dependably and at the highest level of service  <b>Compliance and Operations Administrator VIC WINNER</b> Deliver the best outcomes, quality and value for money	<b>Accounts Receivable Officer VIC WINNER</b> Complete our work efficiently, dependably and at the highest level of service	<b>Site Supervisor VIC WINNER</b> Complete our work efficiently, dependably and at the highest level of service
<b>HUMAN</b>  		<b>Project Coordinator VIC CHAMPION WINNER</b> Treat each other and our customers professionally and equitably	<b>Operations Scheduler SA WINNER</b> Treat each other and our customers professionally and equitably	<b>Developer VIC CHAMPION</b>  <b>Operations Manager VIC WINNER</b> Be supportive, collaborate and seek to understand	<b>NDS Warehouse Supervisor VIC WINNER</b> Be supportive, collaborate and seek to understand
<b>INNOVATION</b>  		<b>Operations Manager VIC WINNER</b> Explore new ideas and never stop looking for better ways to doing things	<b>Supervisor NSW WINNER</b> Explore new ideas and never stop looking for better ways to doing things	<b>Retail Sales Officer SA WINNER</b> Explore new ideas and never stop looking for better ways to do things	<b>Operations Manager VIC CHAMPION WINNER</b> Improve our processes, outcomes and experiences through research and refinement
<b>SUSTAINABLE</b>  		Not selected	<b>Retail and Warehouse Manager SA WINNER</b> Deliver the most sustainable outcomes for our customers and ourselves	Not selected	<b>Install Supervisor VIC WINNER</b> Deliver the most sustainable outcomes for our clients and ourselves



## OUR PEOPLE OUR PERFORMANCE

### DIVERSITY AND INCLUSION

Employment Type by Gender	Female	Male	Total
Permanent Full Time	5%	15%	20%
Permanent Part Time	2%	1%	3%
Casual employment by gender	7%	70%	77%
<b>Total</b>	<b>14%</b>	<b>86%</b>	<b>100%</b>

Permanent Employees by Management Level and Gender	Female	Male	Total
Management and professional	24%	25%	49%
Operations	4%	42%	45%
Administration	4%	2%	5%
<b>Total</b>	<b>31%</b>	<b>69%</b>	<b>100%</b>

Permanent Employees by Gender	Female	Male	Total
<b>Total by gender</b>	<b>31%</b>	<b>69%</b>	<b>100%</b>

Ethnicity*	Total
Australian	51%
European	18%
Asian	7%
Pacific Islander	1%
Other	14%
Prefer not to answer	9%
<b>Total</b>	<b>100%</b>

Permanent Employees by Age and Gender	Female	Male	Total
Under 30 years old	4%	14%	18%
30 - 50 years old	16%	33%	49%
Over 50 years old	11%	22%	33%
<b>Total</b>	<b>31%</b>	<b>69%</b>	<b>100%</b>

### RECRUITMENT AND RETENTION

Permanent Employees Recruitment by Gender	Female	Male	Total
	22%	78%	100%

Permanent Employees Retention by Gender	Female	Male	Total avg.
	93%	74%	84%

### PERFORMANCE

Permanent Employees who received a performance review	Total
	95%

## COMMUNITY OUR PERFORMANCE

### POVERTY AND HOMELESSNESS

Charitable pro bono contributions	Hours	Value	Assets	Total
	157	\$14,018	\$150	\$14,168

Furniture Fund monetary contributions*	Total
	\$480,000



**COMMUNITY**  
**OUR PERFORMANCE**

**EGANS ARE PROUD TO PROVIDE SUPPORT TO THE FOLLOWING AUSTRALIAN CHARITABLE ORGANISATIONS\***

For Homeless Youth



**PROPERTY INDUSTRY FOUNDATION**

In 2020, Egans partnered with Property Industry Foundation who build homes for at risk youth. Their work has a material impact on the lives of people who are in most need of community support.

Egans supported the Property Industry Foundation by sponsoring the Gisborne Golf Day and Steps for Homeless Youth fundraising events in Victoria. Employees volunteered their time, energy and effort and we provided trucks, vans and relocation equipment.

Furthermore, we are proud to provide storage and deliver assets to support the Property Industry Foundation to enable their impactful work.

**Pro bono value** \$4,245

**LIGHTHOUSE FOUNDATION**

The Lighthouse Foundation provides young people who are homeless, or at risk of homelessness, with the care and support they need to heal, thrive and achieve a lifelong sense of belonging.

Egans were delighted to support the Lighthouse Foundation with a house move. Employees volunteered their time, energy and effort, and we provided trucks, boxes and relocation equipment to move furniture and belongings between houses.

**Pro bono value** \$2,600

**COHEALTH**

Cohealth improves the health and wellbeing for all and tackles inequality in partnership with the people and communities they live in.

Cohealth was in desperate need of a recliner chair for one of their clients who couldn't afford the cost of a new chair. Egans were quick to jump at the opportunity to provide an leather electric recliner chair and deliver the chair to the clients home.

Cohealth reported their clients back has never felt so good and feels much more comfortable.

**Pro bono value** \$585



## COMMUNITY OUR PERFORMANCE

### HOUSING ALL AUSTRALIANS

An Australia where everyone has a stable place to call home is Housing all Australians vision. Housing all Australians are helping to address Australia’s chronic shortage of low-income affordable housing.

Egans provided storage and virtual access which enabled Housing all Australians to view their stored assets for future reuse.

**Pro bono value** **\$3,000**

### LOGISTICS EVENTS AUSTRALIA

Logistics Events Australia is an end to end event management company who provide support to Variety Australia. Variety - The Children’s Charity supports children and families who are facing many challenges through sickness, disadvantage or living with a disability.

Employees volunteered their time, energy and effort, and we provided trucks and relocation equipment to Logistics Events Australia for the Variety Club 2022 Christmas party.

**Pro bono value** **\$1,950**

### ALIRO GROUP

Aliro Group partner with investors, asset owners and tenants to access and deliver enduring value in real estate. Aliro Group provide support to the Property Industry Foundation.

Egans volunteered it’s employees and relocation equipment to collect furniture for resale purposes.

**Pro bono value** **\$325**

### AUSTRALIAN BOOK DESIGNERS ASSOCIATION

The Australian Book Designers Association (ABDA), is a not-for-profit who exist to support Australian book designers to promote their work to, and connect with, the broader publishing community, including discovering and fostering emerging talent.

Egans provided storage and virtual access which enabled ABDA to view and deliver their stored assets for future reuse. On multiple occasions, Egans volunteered it’s employees, trucks, boxes and relocation equipment to retrieve assets from storage and relocate assets from Victoria to New South Wales for the 2022 Australian Book Design Awards, Canberra and other Victorian-based locations.

**Pro bono value** **\$1,463**

### OUR NEXT STEPS

Egans will carry on its partnership with the Property Industry Foundation and continue its pro bono and Furniture Fund contributions.

We endeavour to explore new future partnerships with like-minded Australian charities and not-for-profit organisations who provide positive social impacts on communities in need.



## CASE STUDY

# LIGHTHOUSE FOUNDATION HOUSE MOVE

It was our privilege to support the Lighthouse Foundation and volunteer our staff and equipment to move the occupants of a house in collaboration with the Property Industry Foundation.

The Lighthouse Foundation provides young people who are homeless, or at risk of homelessness, with the care and support they need to heal, thrive and achieve a lifelong sense of belonging.

Egans provide donations to the Property Industry Foundation via the Furniture Fund partnership which extends the life of furniture through reuse, reconfigure, refurbish and/or resell to help the Property Industry Foundation continue their important work.

In this instance, we relocated 50 boxes and over 100 pieces of furniture and belongings from one house to another over the course of a weekend.

We are proud to support such a fantastic organisation and initiative.



Your team were absolutely terrific! They worked so hard and were extremely accommodating, courteous and respectful of everyone involved in the move. So please pass on a huge thanks and acknowledgement of their hard work.

TERRIE BARTON | LIGHTHOUSE FOUNDATION

The Property Industry's

**Furniture Fund.**

RECYCLE FOR HOMELESS YOUTH



## CASE STUDY

# STEPS FOR HOMELESS YOUTH ALBERT PARK CHARITY RUN

Egans is a Gold Partner of the Property Industry Foundation helping to build homes for homeless youth and provide ongoing support for homes where young people can rebuild their lives.

Egans was a proud sponsor of the Steps For Homeless Youth fundraising walk/run event around Albert Park Lake, Melbourne in May 2023.

We volunteered our time, labour, trucks and relocation equipment to deliver furniture, marketing equipment and signage to and from Albert Park Lake for this successful event.

We were privileged and very grateful to sponsor this event which made a tangible impact on youth homelessness by raising \$102,609.

### For Homeless Youth





# Governance

Corporate governance is central to informing Egans strategic decisions and delivering on our strategy through the reporting and monitoring of performance and risks. We appreciate that governance is the backbone for ensuring our sustainability commitments are translated into action, monitored, reported, and communicated transparently.

Our policies and procedures underpin our legislative requirements and provide our employees with further details on how to maintain high ethical standards.





## RISK MANAGEMENT OUR PERFORMANCE

### WORKPLACE HEALTH AND SAFETY

Egans robust health and safety management system ensures the health, safety and wellbeing of our employees, contractors and customers.

We partner with a workplace health and safety consultant to manage our obligations under workplace health and safety legislation.

Health and safety committee members meet quarterly to review Egans health and safety performance, safety issues, proposed changes, policies and procedures.

Safety risks and corresponding controls are set out in detailed risk registers. Risk registers are continually monitored and periodically reviewed in response to the risk environment, changes in legislation and objectives.

To improve safety outcomes, toolbox safety talks occur with our employees prior to work commencing to prevent and eliminate risks and hazards.

Safe Work Method Statements (SWMS) are used in instances where predetermined risks have been identified. SWMS documentation identifies the potential hazards arising from proposed activities and measures to be put in place to control the identified risks.

Egans is focused on developing existing and future health and safety competency by appointing new and upskilling existing health and safety committee members to continually manage risks and enhance health and safety performance.

Future investments in health and safety include an external audit of our existing health and safety management system for continuous improvement.

### WORKPLACE HEALTH AND SAFETY INCIDENTS

Lost Time Injury Frequency Rate (LTIFR)*	21.42
--	-------

### COMPLIANCE

Egans audit committee meet quarterly to review Egans audit framework. The audit committee is accountable for internal audits which include controls for environmental and social sustainability, health and safety and financial risks. Our risk management audits assist in identifying, assessing, treating, and monitoring identified risks.

Our human resources partner provides advice on legislation changes and policies to assist Egans in carrying out its responsibilities.

### POLICIES

We maintain a comprehensive set of policies to identify and manage our governance, social and environmental risks.

We launched our:

Family & Domestic Violence Policy to support our employees affected by family and domestic violence.

Gender Equality Policy to promote equality and remove any barriers that prevent woman in our workplace from achieving equality.

Drug and Alcohol Policy to prevent, or minimise, any risk of injury or harm to the health and safety of our employees in our workplace.

### REPORTING

Environmental sustainability reporting is provided for Egans reuse and resource recovery jobs to measure waste minimisation outcomes. We enjoy collaborating with our customers to understand their sustainability goals, providing circular economy value and supplying transparent performance reporting to bring our customers closer to achieve their environmental sustainability goals.



## FEEDBACK

We welcome your feedback in our efforts to continuously improve our sustainability practices and performance.

Please email: [sustainability@egans.com.au](mailto:sustainability@egans.com.au)

For more information on our sustainability initiatives, please visit our website:

<https://egans.com.au/sustainability>