

WESTRAC SUSTAINABILITY PLAN – TOWARDS 2030

Our Way Forward on the Issues Material to WesTrac



A MESSAGE FROM OUR CEO

WesTrac is well-progressed in its sustainability journey and our vision is to be the customers' first choice in equipment solutions by consistently demonstrating responsible environmental, social, and governance (ESG) practices across all aspects of our business and supply chain. WesTrac is working hard with our customers, stakeholders, team members, and our communities toward implementing plans and solutions for long-term success and a positive impact on our environment, team members, and communities.

WesTrac bases our ESG management around the 10 topics that WesTrac and our parent company Seven Group Holdings (SGH) have identified as being material. These topics, known as the 10 Material Issues, have been developed in alignment with the Global Reporting Initiative and United Nations Sustainable Development Goals and seek to create shared value across both our business and broader communities and stakeholders. WesTrac has committed to ambitious targets across each of these topics including reaching net zero greenhouse gas emissions by 2040.

Our roadmaps demonstrate our commitment to progressing in each material issue and we are committed in our focus on helping our customers achieve their own ESG objectives. Particularly our work to bring Caterpillar® automation and electrification developments to our customers to ensure Australia's resources and construction sectors benefit from being at the global leading edge of technological innovation.

In executing our strategy, we are focused on ensuring that any ESG initiative emanates from, and is owned by, an existing executive role, and is evaluated using the core decision processes, forums, and rules that apply to all mainstream business decisions. Similarly, when an ESG issue emerges, our starting point is always that the executive team itself needs to consider local and international best practices and trends, and understand and solve the issue, rather than relying on 'turnkey' solutions from an ESG advisor or consultancy. ESG issues are owned and solved within our businesses and therefore the strategies and initiatives we are executing will be more sustainable over the long term. We continuously seek out ESG practices and learnings both nationally and internationally to adopt in our business.

The continual success of our business relies on our ability to sustainably manage our environmental and social impacts while maintaining responsible governance over these processes. Towards 2030, we see an opportunity to make meaningful progress toward our ESG goals and look forward to collaborating with our teams, customers, and stakeholders along this journey.

JARVAS CROOME
WesTrac Chief Executive Officer



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OUR STORY

Founded in 1990, WesTrac is one of the largest authorised Cat® equipment dealers in the world. WesTrac provides customers with a wide range of machinery and construction equipment as well as comprehensive whole-of-life management solutions designed to make owning and operating equipment as easy, profitable, and safe as possible.

With over 5000 team members and 30 branches across Australia, WesTrac is dedicated to creating and delivering outstanding value for our team, customers, shareholders, and the community through our Built By Us (BBU) culture. BBU is the collective team values and vision to have a business that is safe, enjoyable, and productive. It is built around our SPARC values, an acronym for Safety, Pride, Accountability, Respect, and Customer.



SAFETY – Looking out for me and my mates.



PRIDE – Demonstrating pride in our work, business and customers.



ACCOUNTABILITY – Taking ownership and responsibility for our actions.



RESPECT – Valuing and acknowledging the views, achievements and differences of others (diversity).



CUSTOMER – Providing solutions, service and satisfaction to our customers.

We recognise that we all have a significant responsibility to protect the natural environment and support the communities in which we operate for the benefit of this and future generations. Our goal is to minimise the impact our business activities have on the environment while balancing the economic and social needs of sustainable development. Community involvement is an integral part of the WesTrac philosophy, and we are proud to support local activities, events, and charities in the regions we are based.



OUR PLAN

Guiding WesTrac's Sustainability Plan is Seven Group Holdings' commitments and aspirations for our 10 Material Issues. The 10 Material Issues were set via engagement with our team members, customers, and stakeholders, and in alignment with the Global Reporting Initiative (GRI) and United Nations Sustainable Development Goals (UNSDGs). For each of the 10 Material Issues, WesTrac has developed a plan for its journey toward achieving its aspirations.

The Seven Group Holdings Sustainability Strategy is based on a series of exercises undertaken to ascertain the ESG issues that are most material to our businesses. Materiality exercises were conducted by the fully owned businesses of SGH, and results were aggregated to reflect areas of commonality. These materiality assessments were conducted with contributions from a range of internal and external stakeholders, including operations and front-line team members, executives, suppliers, customers, and non-governmental organisations. All exercises were open-ended to allow the full range of potential sustainability-related issues to be unearthed. Issues were then prioritised using two key dimensions as a guide: which ESG issues our businesses have the most significant impact on; and which ESG issues most influence our stakeholders' assessments and decisions relating to our businesses. As a result, the following Material Issues were adopted.

- 1. ENERGY AND EMISSIONS**
To play a leading role in each of our sectors in meeting the Paris Agreements' goal to limit global temperature rises to well below 2°C.
- 2. WASTE AND WATER**
To play a positive role in helping Australia reduce its reliance on landfill and attain more sustainable water outcomes.
- 3. MATERIALS**
To be a leading Australian corporate contributor to the circular economy.
- 4. TECHNOLOGY AND INNOVATION**
To bring the benefits of technology and innovation, including digital, to our teams and customers.
- 5. SAFETY**
To be recognised by our teams, customers and regulators for safety excellence.
- 6. TRAINING**
To engage, educate, develop and inspire our people.
- 7. DIVERSITY**
To ensure we have a diverse and inclusive workforce that increasingly reflects the communities in which we operate.
- 8. EMPLOYMENT**
To be an employer of choice across all categories of employment, known for fairness, empathy, development and contribution.
- 9. INDIGENOUS INCLUSION**
To make a meaningful contribution to the full realisation of the rights of Aboriginal and Torres Strait Islander peoples in the communities we operate in.
- 10. LOCAL COMMUNITIES**
To be an engaged and constructive participant in the communities in which we operate.

Westrac’s 10 Material Issues are aligned with twelve of the seventeen United Nations Sustainable Development Goals (UNSDGs).

WESTRAC ALIGNED UNSDGs



Source: sdgs.un.org/goals

Westrac’s Sustainability Plan recognises that sustainability is a key aspect of our business resilience and ongoing success. Our plan leverages what we already do well and creates a pathway through continuous improvement to achieve our environmental, social and governance related goals whilst balancing our customer and stakeholder expectations.

Westrac’s journey towards each material issue aspiration is set out in the following pages of this sustainability plan.

WESTRAC'S 10 MATERIAL ISSUES



ENERGY AND EMISSIONS

SGH ASPIRATION

To play a leading role in each of our sectors in meeting the Paris Agreement's goal to limit global temperature rises to well below 2 degrees.



WesTrac has committed to the ambitious target of achieving net zero scope 1 and 2 greenhouse gas emissions by 2040, with interim targets of a 30% reduction by 2026 and a 50% reduction by 2030, on a 2020 baseline

WesTrac has activated our net zero roadmaps to achieve these targets, including seeking ways to reduce our energy consumption, generate and store renewable energy, and source renewable energy as well as electrifying suitable parts of our business. While WesTrac will continue making progress towards these targets using our current modelled pathway, we also acknowledge that with rapidly evolving technology and innovative thinking, these roadmaps will evolve to suit contemporary technology.

Our current focus is on our internal scope 1 and 2 emissions however we acknowledge the value of collaborating with our suppliers and customers to reduce carbon throughout the supply chain. This will be done by continuing to expand our low-carbon machine offerings, training our customers to maximise fuel efficiency in machines, and considering supply chain emissions when selecting our suppliers.

Key focus areas:

- Energy efficiency
- Renewable energy generation, storage and sourcing
- Electrification

WASTE AND WATER



SGH ASPIRATION

To play a positive role in helping Australia reduce its reliance on landfill and attain more sustainable water outcomes.



WesTrac seeks to operate as an environmentally passive business by continuously improving our waste and water management. Our key targets within this space are to decrease our overall water usage.

WesTrac continuously reviews our recycling opportunities as new recycling facilities and technologies become available. Towards 2030, WesTrac will seek to expand our recycling with focuses on diverting plastics and food waste from landfill, as well as implement waste compaction technology to improve efficiency and reduce collection intervals. Through conducting annual waste audits, educating our team members on correct waste disposal and collaborating with our suppliers to reduce waste within the supply chain, WesTrac will maintain high levels of landfill diversion.

WesTrac seeks to capture, store, and utilise rainwater on our major sites to reduce reliance on potable water supplies. We will continue to expand our non-potable water storage at suitable locations and factor in water-sensitive design principles into site developments.

Key focus areas:

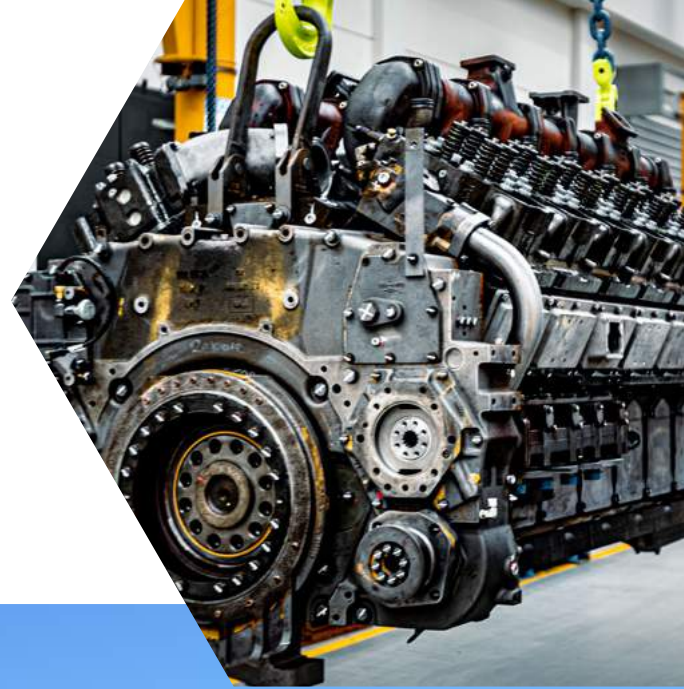
- Waste compaction technology
- Continuous review of recycling opportunities
- Collaborating with our suppliers to improve supply chain waste management
- Non-potable water collection and storage
- On-site recycling/treatment of water used within wash bays

MATERIALS

SGH ASPIRATION

To be a leading Australian corporate contributor to the circular economy.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



Avoiding wasted materials and promoting a circular resource economy is at the core of WesTrac's operations as seen through our extensive focus on remanufacturing. Caterpillar and WesTrac understand that waste avoidance begins at the design phase of our equipment. Caterpillar have committed within their Sustainability Goals that all new products will be more sustainable than the previous generations. All materials used will be high quality and reliable to avoid the need for replacement and improve efficiency. This use of high-quality materials also means that at the end of the machine's life, the materials can be remanufactured into new equipment, reducing waste generation, water consumption and emissions generation associated with the building of new machines.

Towards 2030, WesTrac will continue to expand and improve our remanufacturing capabilities while collaborating with our suppliers and customers to create meaningful progress within this space.

Key focus areas:

- Collaborating with our suppliers to encourage low-waste/recyclable packaging
- Seeking out opportunities to purchase recycled materials for use within our business
- Expanding remanufacturing operations wherever possible
- Incorporating circular economy opportunities where possible

TECHNOLOGY AND INNOVATION



SGH ASPIRATION

To bring the benefits of technology and innovation, including digital, to our teams and customers.



WesTrac continually uses technology and innovation to enhance the safety, productivity and availability of our market-leading equipment for our customers, as well as drive effectiveness and superior experiences across our internal operations.

Towards 2030, WesTrac will seek more collaboration opportunities with our suppliers and customers, as well as the community to continue to improve upon our technology and innovation.

Key focus areas:

- Technological improvements to improve the way we help our customers manage their safety risk, as well as our own internal safety risks
- Using technology and innovation to chase out waste and significantly improve customer and employee experiences across our key processes
- Improving technology to improve the efficiency with which we remanufacture materials
- Training our people and providing ready to offer training within electrification and other new technologies
- Exploring technological improvements in support infrastructure for customer's new requirements when operating electric machinery

SAFETY



SGH ASPIRATION

To be recognised by our teams, customers and regulators for safety excellence.



WesTrac continually strives to improve our safety performance with the ultimate goal of zero harm. While we continually target areas of recurring incidents, we are particularly focused on controlling critical safety risks in our business.

Towards 2030, WesTrac will continue to implement initiatives and enhance programs that work to continually decrease safety risk within our business.

In order to achieve safety excellence WesTrac recognises the value of working with our team members, customers and stakeholders.

Safety is the core of our organisational values and is critical to everything we do.

Key focus areas:

- Critical Risks Program
- Life Saving Commitments
- Fatigue Risk Management
- Safety for leaders
- Chain of Responsibility
- Contractor management
- Simplification of safety systems
- Engineering and technology solutions
- Holistic mental health

TRAINING



SGH ASPIRATION

To engage, educate, develop and inspire our people.



WesTrac offers a wide range of training opportunities for both our team members and customers through our nationally accredited Registered Training Organisation (RTO). We have three major training campuses – the WesTrac Institute in South Guildford WA and Tomago NSW, plus the WesTrac Technology Training Centre in Collie WA. Across these three facilities we train approximately 12,000 people each year.

For our existing team members, we offer a wide range of programs including safety, apprenticeship programs, maintenance and operational technology training plus business and leadership courses. For our customers we offer opportunities to train on Cat systems, products and equipment, to maintain asset health, service life and emission reduction.

Key focus areas:

- Electrification
- Training aligned to alternate energy sources
- Effective utilisation of equipment to minimise fuel burn (optimise production)
- New Cat technology advancements
- Being an RTO adapting to the needs of the industry requirements
- Traditional pathways for training

DIVERSITY



Classroom at WesTrac Institute (WA)

SGH ASPIRATION

To ensure we have a diverse and inclusive workforce that increasingly reflects the communities in which we operate.



WesTrac’s vision is to reflect the richly diverse communities in which we operate, and celebrate the diversity of our people who feel safe to bring their authentic selves to work.

In recent years, a key focus of WesTrac has been to encourage and maintain female participation across all aspects of the business, with the target of achieving 25% female participation by 2025. Initiatives such as the establishment of the Diversity and Inclusion Committee, our women’s Mentorship Program, targeted recruitment campaigns including gender targets for our biannual apprentice intakes, and Inclusive Recruitment Training, are all in place to help us provide an inclusive environment and meet our target.

Towards 2030, WesTrac will continue to seek to improve inclusion and diversity across the business and implement programs and initiatives aligned to our guiding principles.

Key focus areas:

- Supporting and enabling an inclusive culture through education and training, leadership, communication campaigns and employee resource and support groups
- Gender equity through participation targets, recruitment targets, turnover tracking and support programs
- Providing an environment where everyone feels safe, respected and where diversity is valued as a core component of WesTrac’s ongoing success

EMPLOYMENT



SGH ASPIRATION

To be an employer of choice across all categories of employment, known for fairness, empathy, development, and contribution.



WesTrac strives to be an employer of choice by providing a safe, productive and enjoyable workforce that is flexible to meet the needs of our team members.

WesTrac's Built By Us culture transformation program has built the foundations of a safe and engaging workplace that upholds the Company's SPARC values. The focus on enhancing the employee experience and building the capability of our leaders across the organisation has seen ongoing improvements in team member engagement. The focus on employee values has been further enhanced by the launch of our Made For More employee value proposition which recognises the value each team member brings to the business within the pillars of care, passion and evolution.

Key focus areas:

- Attraction and selection
- Retention of existing talent and capability across the business
- Made for More – care, passion and evolution
- A safe, productive and enjoyable workplace culture that promotes inclusion and equity
- Workforce of the future - develop and introduce new skills, roles and diversity to deliver a technology growth strategy
- Talent pipelines and defined career pathways

INDIGENOUS INCLUSION

SGH ASPIRATION

To make a meaningful contribution to the full realisation of the rights of Indigenous peoples in the communities we operate in.



Our commitment to reconciliation is at the foundation of our Reconciliation Action Plan (RAP). With our actions aligned to three pillars – Relationships, Respect and Opportunities. WesTrac is committed to creating meaningful and sustainable employment opportunities and relations with Aboriginal and Torres Strait Islander people and organisations.

We also acknowledge the value our actions can play in the reconciliation movement and improving the relationship between Aboriginal and Torres Strait Islander people and non-Indigenous people.

Key focus areas:

- Having developed strategies and a strong established approach towards advancing reconciliation internally through education and awareness and within WesTrac’s sphere of influence including the communities in which we operate
- Identifying and establishing employment opportunities and pathways for First Nations people
- Identifying and establishing supplier engagement processes to increase WesTrac’s First Nations supplier pool

LOCAL COMMUNITIES



SGH ASPIRATION

To be an engaged and constructive participant in the communities in which we operate.



WesTrac has a long history of being an active member in the communities in which it operates through both contributions and participation in community led events.

WesTrac is a proud supporter of many charities, sporting teams, community events and initiatives.

Here are some examples:

- National charity events like Movember
- Local sporting/community events
- Local sporting teams
- Partnerships with industry based mental health services like Mates in Construction
- Westpac Rescue Helicopter
- Partnering with local community groups supporting environmental initiatives

- Telethon (Seven)
- Motivation Foundation
- Supporting schools/students with learning resources

Towards 2030, WesTrac will continue providing contributions and participate in our local communities with a focus on encouraging opportunities to explore WesTrac facilities and learn about who we are and what we do. We will do this by offering local schools opportunities to visit our sites and learn about career pathways within the industry, hosting family days on our sites and maintaining our open communication lines with our communities to ensure all voices are heard.

MODERN SLAVERY

WesTrac opposes all forms of modern slavery and is committed to operating its business lawfully, ethically and with respect for human rights. WesTrac's actions underpin our commitment to uphold our values and ethics, take responsibility for our behaviours, and act on our commitments to provide a value chain that is free from all forms of modern slavery.

Our Statement can be found at <https://www.westrac.com.au/mds>.

OUR GOVERNANCE

Our parent company Seven Group Holdings informs our sustainability goals and approach to reporting on these goals.

SGH has chosen to report its approach and actions relating to environmental, social and governance issues using the globally-accepted Global Reporting Initiative (GRI) framework. Our approach is guided by GRI's principles for informing report content, materiality, stakeholder inclusion, sustainability context, and completeness. A reconciliation to GRI's reporting standards is provided on SGH's website. SGH has also chosen to follow the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) regarding the disclosure of climate-related risks and actions.

WesTrac reports on our sustainability progress via the annual SGH Sustainability Report which can be found at www.sevengroup.com.au/sustainability.

SGH | Industrial Services, Media, Energy and Investments



OUR ENGAGEMENT

Across our business, a wide range of stakeholders are regularly consulted.

Feedback from stakeholders comes via a range of mechanisms, including surveys, forums and meetings, and this input from stakeholders is incorporated into our operating strategic decision making processes.

STAKEHOLDER	HOW WE ENGAGE
Employees	Training, development plans, feedback sessions, engagement surveys, social functions, forums, meetings
Customers	Joint planning, reviews, partnerships, meetings, surveys, industry events, trade days
Communities	Donations and sponsorships, meetings, volunteering
Shareholders	Presentations, meetings, site visits, reports
Banks/Debt Providers	Presentations, meetings, reports
Suppliers	Joint planning, reviews, partnerships, meetings, surveys, tenders, forums
Regulators	Reports, information provision, strategic engagement on policy/regulation
Industry Associations	Participation on committees, working groups
Non-Governmental Organisations (NGO's)	Participation in forums



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WesTrac 

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