

ANNUAL SUSTAINABILITY REPORT 2025



BSR AUSTRALIA LIMITED ABN 84 122 529 695

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Message from our ESG Committee

Financial Year 2025 marked a year of continued commitment and improvement to environmental, social and governance business practices. The nationwide presence of BSR Group drives our goal to have a positive impact on the environments and communities we are part of. This is BSR Group's second Sustainability Report, showing our commitment to ESG practices.

As a business, we know that strong communities are built when people, organisations, and charities work together for a greater cause. Our established and new charity initiatives, sponsorships of local sports teams, and well-established modern slavery and whistleblower policies, have laid a strong foundation for robust social and governance practices.

As we progress closer to mandatory sustainability reporting, BSR Group is striving to make a real difference in how

we operate and who we deal with. We acknowledge the environmental impacts inherent in our retailing and distribution of electrical and furniture products.

Our focus remains on pro-actively finding ways to reduce waste, energy consumption and emissions. We aim to serve our customers and communities nationwide while also helping create a safer, better environment for future generations.



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Environmental Focus

At BSR, our continued goal is to reduce our carbon footprint across our operations through a gradual transition to more sustainable business practices. We are actively utilising carbon accounting software to help us monitor our energy emissions, enabling us to pinpoint areas for improvement.

The FY25 Scope 1 and Scope 2 carbon emissions data will serve as our baseline for upcoming mandatory reporting requirements. In FY26, we will concentrate on reporting Scope 3 emissions as we further evaluate our obligations under mandatory requirements.

BSR Group's Scope 1 emissions are primarily categorised under mobile combustion driven by usage of diesel and fuel oil from company-owned vehicles and Scope 2 emissions are entirely attributed to electricity consumption across NSW/ ACT, QLD, VIC and TAS.

Reduction initiatives such as fleet optimisation and energy efficiencies will continue to be at the forefront of our emission reduction goals throughout all our operations.

Our purpose-built environmentally sustainable Head Office

and Warehouse premises at Brisbane Airport have been equipped with 390kW of photovoltaic (PV) solar panels converting light into electricity to enhance energy efficiencies for BSR Group and reduce carbon emissions.

Waste reduction and efficiencies continue to be a focus, with our Head Office undergoing a waste consolidation process and a review is underway of all corporate store waste practices to ensure best practice recycling options are utilised with a consistent approach across stores and warehouses. Within our store member network, whilst there is still opportunity to enhance our waste streams and improve recycling practices, a number of members are actively engaged in recycling practices for end-of-life appliances and electronic goods waste. A recent sustainability survey to our members provided positive insights into environmental and social practices and initiatives across our member network.

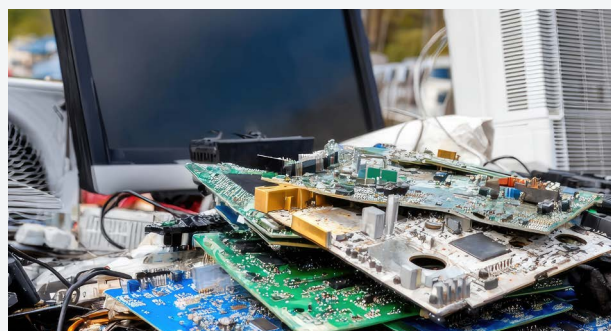
Digital-First Catalogue Program

Effective July 2025, BSR Group will complete the transition to a fully digital-led catalogue program, retiring our printed catalogues. This significant shift not only modernises how we connect with our customers but also delivers a meaningful environmental impact, with an estimated saving of over 20,000 trees each year. This initiative reflects our ongoing commitment to sustainability and responsible business practices across all areas of our operations.

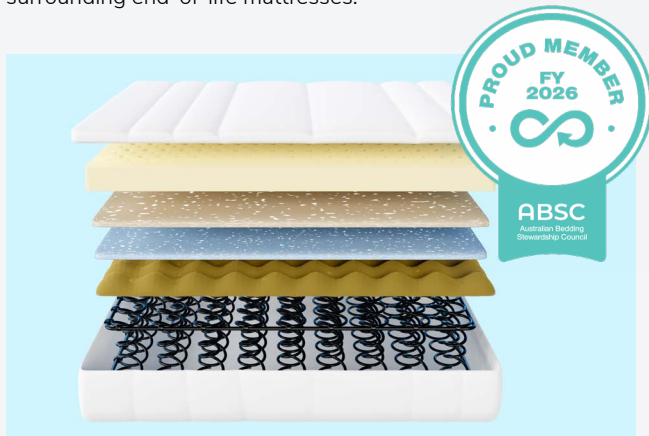


E-Waste and End of Life Product Recycling

BSR Group remains committed to sustainable and ethical management of electronic devices and appliances that are no longer operational. In February 2025, our Victoria operations partnered with ReSource, one of Australia's leading e-waste processing companies, to facilitate the responsible disposal and recycling of end-of-life products such as refrigerators and freezers. Over a four-month period, these efforts resulted in an estimated reduction of approximately 366 tonnes of CO₂ emissions—comprising 145 tonnes from degassing and 221 tonnes from recycling activities. This environmental impact is equivalent to removing more than 80 cars from the road for a year or offsetting the annual electricity consumption of 65 Australian households.



BSR Group became a member of the *Australian Bedding Stewardship Council (ABSC)* in November 2024. The Stewardship aims to reduce waste generation and improve recovery of bedding products, in particular, end of life mattresses. Partnering with stewardship programs like ABSC, not only help us address our own end-of-life materials but also tackle industry-wide challenges. As we work closely with the ABSC our focus is on educating the consumer through in-store and online communications. We also look to our Supplier Partners to encourage and actively engage in circular economy practices with our Betta Franchise Members and raising public awareness about the issues surrounding end-of-life mattresses.



BSR Group has partnered with Moorup, a B-Corp certified Australian technology company specialising in Circular Device solutions whose mission is to extend the lives of electronic devices. Moorup offers individuals and businesses with Trade – In services so that they can renew and protect, recycle, donate and sell devices locally and globally. Their ethos centres around sustainability and creating a better future for our planet, our people and our technology. Their aim is to donate 5% of devices purchased to those experiencing, or at risk of experiencing digital exclusion. This partnership will assist consumers with upgrading their digital technology for less, reducing e-waste impact, secure data erasure and no additional costs for shipping traded in products back. Moorup are actively working to change the technology market and questioning sustainability practices, one device at a time.

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Social and Community Initiatives

At BSR, we believe business should be about more than just products and services, it should also be about giving back. Supporting the communities where we live and work is at the heart of what we do, and we are committed to making a lasting, positive difference. With Community being one of our core values, we strive to facilitate socially responsible activities to contribute to the local community and minimise the impact on the environment through honest and transparent operations.

We have proudly partnered with The Kids' Cancer Project as our official corporate charity partner. This partnership reflects our values of care, compassion, and responsibility to stand with families when they need it most. The Kids'

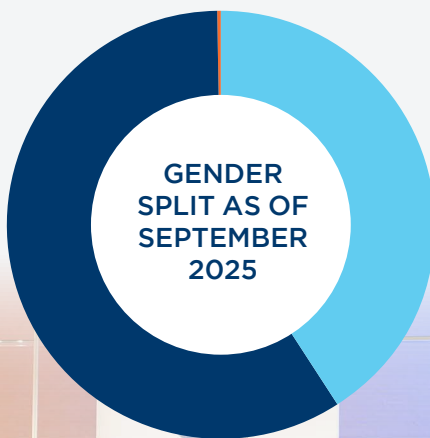
Cancer Project is an independent national charity dedicated to funding bold scientific research that aims to find better treatments, and ultimately a cure, for childhood cancer. Since

1993, the organisation has invested millions into world-class research that not only improves survival rates but also reduces the long-term side effects of treatment, helping children live healthier, fuller lives. Childhood cancer doesn't just affect children; it impacts families, friends, and whole communities. By supporting The Kids' Cancer Project, we're helping ensure that more kids get the chance to grow up, chase their dreams, and enjoy the futures they deserve. Since the partnership began, BSR Group has raised \$72,000 for the charity. Through fundraising, awareness campaigns, and staff involvement, we are dedicated to creating real change and hope for children and their families across Australia.



BSR group prides itself in promoting and maintaining a diverse and inclusive place to work. Our Melbourne based Stan Cash Superstore business continues to support the local LGBTQI community with sponsorship of the Joy Radiothon and additionally supporting community radio station 3ZZZ which is Australia's largest multilingual community station. Stan Cash also partnered with the Lighthouse Foundation and One Voice by supplying appliances for their houses which support homeless youth and help fund their mobile shower units.

BSR Group upholds Equal Opportunity Employment practices, with a culturally and linguistically diverse team. The Workplace Gender Equality Agency (WGEA) report highlights our continued commitment to promote and improve gender equality in the workplace which is actively monitored by the leadership team.



Gender Diversity

- MALE
- FEMALE
- UNDISCLOSED

BOARD MIX



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Workplace Culture and Engagement

A number of exciting new initiatives, introduced in 2025, continue to strengthen our workplace culture and engagement. The focus of Better Together has seen an increase in team morning teas, monthly wellness and safety initiatives as well as connect conversations and business updates to promote and maintain a fully engaged workforce. Regular Friday Food Trucks and organised events held in the head office ground floor showroom have served as important engagement activities this year. In addition, dedicated celebrations and opportunities to recognise and reward staff have played a significant role in fostering engagement and appreciation within the organisation.

BSR Group conducted its inaugural Engagement Survey in November 2024. Based on the survey results, several initiatives were implemented, including the introduction of paid parental leave, talent and succession planning, leadership development opportunities like the CliftonStrengths program, and enhancements to employee wellbeing.

Additional programs—such as Connect Conversations and the Employee Assistance Program—have been introduced to foster a healthy workplace and greater inclusivity. These efforts have contributed to a collaborative culture and have reinforced the leadership team commitment to a positive and healthy workforce.

Health and Safety Initiatives

The Workplace Health and Safety Committee continues to play a vital role in enhancing health and safety measures across the Group and fostering engagement and consistent practices amongst our expanding team. By directly involving staff representatives from across the business, the Committee provides corporate site team members with a platform to contribute to workplace health and safety management. To further assist with a consistent and transparent approach to all aspects of Workplace Health and Safety, an improved system of record and reporting will be rolled out across the Group in the coming months helping us to respond quickly and appropriately to safety incidents as well as preventing future instances of concerns identified.



Training and Development

Training and Development for our people has never been more important as our organisation grows and evolves. There has been a focus on leadership development, talent and succession planning and industry-specific training to ensure our teams are well-prepared for sector challenges. The launch of a new training platform is a key driver to assist with how we learn, connect and grow at BSR. In-house training modules are tailored to the distinct needs of team members and kept up to date as the organisation evolves. To streamline and scale training content production, BSR partnered with Synthesia, an AI-powered video platform. With the goal of replacing time consuming training content creation with fast, engaging, and scalable video modules tailored to BSR's diverse training needs. This partnership has enabled rapid development of training modules, conversion of existing guides and presentations and providing ongoing support for retail initiatives, system processes, and best practice. Alongside online training, BSR also conducts in-person sessions to accommodate the varied requirements of its workforce. Furthermore, team members are encouraged to suggest training topics for consideration by the legal and compliance team.

NDIS and Betta Mobility

BSR is proud to be an official NDIS provider, ensuring accessibility for all customers. We are fully committed to the customers and environment that requires this high level of service. This, in turn, supports the communities who may not have easy access to assistive technology to function in their daily lives. The supply of assistive technology for Home Care, Aged Care, Disability and NDIS Participants must be provided in an ethical and respectful manner. We have trained additional accredited NDIS team members to better serve the evolving mobility needs of our customers.



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Governance

As BSR Group prepares for mandatory sustainability and climate disclosure reporting, significant groundwork is being laid to ensure compliance with regulatory requirements while also advancing our commitment to responsible operations for the benefit of future customers and communities. Our preparations have included formal engagement with external consultants to conduct a comprehensive readiness assessment and develop a climate disclosure roadmap. In addition, team members have participated in external seminars and information sessions focused on best practice methodologies.

The deployment of carbon accounting software has enabled BSR to establish baseline data for Scope 1 and Scope 2 emissions and provided a structured framework to support our carbon emissions reporting.

With a formal Risk Management Framework firmly established, we continue to educate and ensure material risks are identified, assessed and that appropriate mitigations are in place to sustain our business objectives. We continue to explore ways to mature our risk management practices and embed risk accountability. Quarterly Audit and Risk Committee meetings steer the direction of the risk, compliance and audit landscape ensuring risk is at the forefront of key business decisions while committees such as the ESG Committee and Workplace Health and Safety Committees help to drive important initiatives.

In response to the rapid progress in artificial intelligence, we strive to remain at the forefront of industry standards by employing advanced systems and software to strengthen organisational governance. Our approach includes maintaining robust controls to safeguard our organisation, data, and personnel. The implementation of our AI Policy, alongside strategic collaboration with third parties regarding

our preparedness for adopting AI solutions, underscores our dedication to governance and regulatory compliance within this dynamic field.

At BSR, we ensure respect for workers, human rights throughout our supply chain by conducting due diligence to comply with modern slavery, vehicle safety, and ethical timber laws. For the past six years, our Modern Slavery Statement and Whistleblower Policy have been publicly available on our website. Our questionnaires include a section on sustainability to ensure our suppliers are aligned with our sustainability goals.

Our regional managers and legal team consistently provide resources and support to our network of retailer members, assisting them in meeting all relevant legal and regulatory requirements. All retailer members are granted membership to the Australian Retailers Association, along with access to compliance training and policy templates. Routine store audit inspections deliver valuable feedback to facilitate adherence to the Fair Work Act and Workplace Health and Safety legislation.

Strong working relationships continue with The National Associated Retail Traders of Australia (NARTA) and the Australian Retailers Association (ARA) while our Board members continue with their membership of the Australian Institute of Company Directors (AICD). Our external auditors, KPMG, continue to offer ongoing guidance and assurance through independent audit processes and guidance on important regulatory matters.



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