

Our Sustainability Strategy and the IPR

Purpose

To share how the Endeavour Group Sustainability Strategy, and in the future our first Reconciliation Action Plan, incorporates our learnings from 'The Independent Panel Review into the proposed Dan Murphy's development in Darwin' (IPR).

Introduction

The IPR presented Endeavour Group with the opportunity to reflect on the work required to strengthen relationships with First Nations peoples, our customers and the broader community.

On 9 June 2021 when the IPR was published together with the Woolworths Group and Endeavour Group responses, we committed to a number of actions, including further engagement with interested IPR stakeholders, and incorporation of the relevant IPR recommendations in our future strategy.

Purpose and Culture

We know that further learning must be reflected in our future actions and not only our words. This is central to our new Endeavour Group Purpose *creating a more sociable future together* and our values and ways of working - guiding our team every day and reflecting the Endeavour Group culture.

Endeavour Group Board Reflections and Actions

Following Endeavour Group's demerger from Woolworths, the Board of Endeavour Group reflected further on all of the relevant recommendations of the IPR and formed a preliminary plan for how we could incorporate our learnings into our first Sustainability Strategy, and the development of our first Reconciliation Action Plan. As many of the recommendations were directly related to the Woolworths Group Purpose and Reconciliation Action Plan which Endeavour Group could not comment on directly, we instead ensured we captured the key learnings and themes of those recommendations in our reflections.

We had a particular focus on four key themes:

- (1) how we can better listen to, and fully understand, the unique concerns of each community in order to reach the best possible outcome when considering all stakeholders involved;
- (2) bridging the divide between the alcohol industry and public health groups, with a focus on addressing alcohol-related harms in a more holistic manner;
- (3) listening to and elevating First Nations peoples voices in the development of a Reconciliation Action Plan for Endeavour Group; and
- (4) governance frameworks and policies that incorporate sustainability and reputation considerations, and operationalise our purpose, vision and values.

In addition, the Endeavour Group Chair, CEO and selected senior management met individually with a number of IPR stakeholders and community to seek their further feedback on how Endeavour Group could incorporate the recommendations of the IPR Report into our Sustainability Strategy, and our first Reconciliation Action Plan.

Endeavour Group Sustainability Strategy

The combination of the Endeavour Group Board's reflections on the IPR and the feedback received from stakeholders, together with Endeavour Group's purpose of creating a more sociable future together, has guided the development of our first Endeavour Group Sustainability Strategy with the ambition of *A positive imprint, made together*. Through this strategy we seek to leave a positive imprint on all of the communities that we are a part of, and to work collaboratively with others to achieve that ambition.

We have also commenced discussions with Reconciliation Australia and several Aboriginal and Torres Strait Islander organisations (including health organisations), to seek guidance and assistance with the development of the first Endeavour Group Reconciliation Action Plan, which will be at the Reflect level. Through a Reflect level Reconciliation Action Plan, we will be guided in our journey to create a Group vision for reconciliation, and related actions. We know that listening to and learning from First Nations voices both within Endeavour Group, and in external experts and organisations, will be critical to developing meaningful and measurable reconciliation goals.

We also know that our learning and listening is ongoing. In our Sustainability Strategy we share our culture of learning, by working with experts in the field to listen, learn, and strive for better, and our intent to use our research, data and insights to improve outcomes and minimise harm. This test-and-learn mentality applies to our entire Sustainability Strategy but also to our approach to learning from the IPR and its recommendations.



We will continually try new things, ask questions, and evolve our approach.

We are grateful to all who have provided their time to engage with us, and we look forward to working with stakeholders in the future as we seek to work collaboratively to leave a positive imprint on Australian communities.

IPR themes and Endeavour Group Sustainability Goals, Commitments and Actions

Our Sustainability Strategy contains 11 Goals, each of which are supported by a series of related Commitments.

We will embed those Commitments through our businesses with a range of plans and actions, each of which will be directly reported to and overseen by the Board.

In the following section, we connect the relevant themes of the IPR to how they have been reflected in our Commitments, and the actions we have already commenced.

As we have just launched our Sustainability Strategy, there may not yet be a corresponding action identified for each of our Commitments. However, as it relates to the key themes of the IPR, the association of that Commitment with a theme articulates our intention to develop and execute on relevant initiatives related to our learnings and reflections on that theme.

This is only the start of our journey and actions, and we will share our progress against all of our Sustainability Goals and Commitments in our Annual Sustainability Report.

Goal 1 Demonstrate leadership in responsible service of alcohol and gambling

Goal 2 Equip our customers to make informed decisions about our products and services to encourage and enable responsible consumption

Goal 3 Partner with experts to identify potential strategies to address alcohol and gambling related harm in the community

Goal 4 Collaborate to pursue leading standards for our industries

Goal 5 Generate a measurable, positive impact in the communities we serve

Goal 6 Create a safe, inclusive workplace where our teams are trained and empowered

Goal 7 Respect and promote human rights and ethics in our operations and supply chain

Goal 8 Respect our customer's privacy and the importance of our responsibility to implement robust privacy principles and practices

Goal 9 Demonstrate our commitment to addressing climate change and reducing our carbon footprint

Goal 10 Adopt and maintain sustainable practices in our use of natural resources

Goal 11 Enhance circularity of our products and industry

IPR themes and Endeavour Group Sustainability Goals, Commitments and Actions

IPR Theme	Sustainability Commitment	Key Endeavour Actions Commenced	What these actions mean in practice
<p>Meaningfully engaging with Aboriginal and Torres Strait Islander communities and related stakeholders, and embedding reconciliation commitments in our organisation</p>	<p>(Goal 3): Invest in research and projects in collaboration with health experts, regulators, government and industry that aim to reduce alcohol and gambling harm in the</p>	<p>Increase our investment in Jawun (IN PROGRESS)</p>	<p>Increase investment and participation in Jawun (an organisation that brings together corporate, government and philanthropic organisations with Indigenous people to affect real change), including utilising Jawun network to expand First Nations listening and learning activities for senior management.</p>
	<p>(Goal 5): Engage with local communities through a community investment strategy that increases both our financial and in-kind contribution to local issues</p> <p>(Goal 6): Scope, develop and embed a Group vision for reconciliation</p>	<p>Established a new ESG (environment, social, governance) and sustainability analysis as part of future property developments and licences, and reviewed all current applications and developments (IN PLACE)</p>	<p>This analysis considers ESG matters (including reputation) associated with proposals, and identifies stakeholders (including but not limited to First Nations peoples and organisations) for engagement through the various regulatory application processes. In some circumstances the ESG analysis may trigger engagement with stakeholders prior to commencement of legal or regulatory processes where appropriate and where sufficient information exists for meaningful engagement at that time rather than through the structured, regulated process.</p> <p>ESG analysis is repeated and refreshed regularly when any material circumstances related to a proposal change.</p>
		<ul style="list-style-type: none"> • Engaged with Reconciliation Australia and commenced discussions with several Aboriginal and Torres Strait Islander health organisations (COMMENCED AND ONGOING) • Committed to launch the first Endeavour Group Reconciliation Plan (RAP) by no later than 1 July 2022 (IN PROGRESS) 	<p>We know that listening to and prioritising voices of First Nations peoples will be critical to the reflection required for our first Reconciliation Action Plan, and that this must include input from Reconciliation Australia. We have commenced engagement, and know this will need to be a continuous listening and engagement process.</p>

IPR Theme	Sustainability Commitment	Key Endeavour Actions Commenced	What these actions mean in practice
Revising processes for new store openings, particularly in relation to community-sensitive proposals	Our sustainability ambition is “ <i>A positive imprint, made together</i> ”. All of our Goals and Commitments, particularly those that relate to the pillar of Responsibility and Community, assist our decision making as we strive to leave a positive imprint on all of the communities that we are a part of, or that we propose to become a part of.	Established a new ESG (environment, social, governance) and sustainability analysis as part of future property developments and licences, and reviewed all current applications and developments (IN PLACE)	As reported above
		Appointed Director of Corporate Affairs and Sustainability, and Head of Risk, and supporting teams (IN PLACE)	The Director of Corporate Affairs and Sustainability, and supporting teams, have direct responsibility and accountability for considering impacts of community-sensitive proposals. The Head of Risk, and supporting teams, have responsibility for oversight of risk management and related policies and procedures, including working closely with the corporate affairs and sustainability teams in relation to reputation and sustainability risks (incorporating community impact)
Reviewing how we engage with government		Appointed Director of Corporate Affairs and Sustainability, and Head of Risk, and supporting teams (IN PLACE)	The Corporate Affairs and Sustainability team will carefully consider the engagement with governments and regulators, to ensure that all contact is designed with customers, team and community interests in mind.
Increasing investment in communities across the Northern Territory	<p>(Goal 5): Engage with local communities through a community investment strategy that increases both our financial and in-kind contribution to local issues</p> <p>(Goal 5): Increase our investment in national harm minimisation and prevention initiatives</p>	<ul style="list-style-type: none"> • Establish a Darwin Community Advisory Committee (IN PROGRESS) • Appointed a Senior Advisor Community Engagement and Sustainability (IN PLACE) 	<p>The Darwin Community Advisory Committee will:</p> <ul style="list-style-type: none"> • be a community based, expert panel to explore and develop projects and initiatives that are intended to reduce the harm arising from the misuse of alcohol or problem gambling in Darwin • be a test case for better community engagement, including with First Nations peoples • recommend how to invest sustainability in Darwin and potentially the NT generally. <p>The committee is supported by a Darwin based Senior Advisor Community Engagement and Sustainability.</p>

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<p>Governance: increasing senior leaders' involvement in reviewing our engagement strategies and impacts</p>	<p>(Goal 5): Engage with local communities through a community investment strategy that increases both our financial and in-kind contribution to local issues</p> <p>(Goal 1): Link 20% of Long Term Incentive Plan for senior leaders to "Leading in Responsibility"</p> <p>(Goal 4): Continue to invest and engage with industry representatives and associations to explore opportunities for improving community outcomes</p>	<p>Appointed Director of Corporate Affairs and Sustainability, and Head of Risk, and supporting teams (IN PLACE)</p>	<p>Established teams to oversee implementation of the sustainability strategy, monitor and manage risks within the Endeavour Group businesses, report progress to the Executive Committee and Board, and support the operationalisation of the sustainability and risk management elements of Endeavour Group Purpose, Values and Ways of Working.</p> <p>Both senior management roles and their teams, will have direct responsibility for oversight of the management of risks associated with regulatory and government relationships, and reviewing effectiveness of ESG governance including related policies and procedures.</p>
		<p>The Endeavour Group Chair and CEO, together with selected senior management, engaged directly with several key IPR stakeholders (COMMENCED AND ONGOING)</p>	<p>We are committed to continuing to engage with all relevant stakeholders on our journey to build trust and strengthen ties with the communities in which we operate.</p>
		<ul style="list-style-type: none"> • Appointed Senior Advisor Community Engagement and Sustainability (IN PLACE) • Establish a Darwin Community Advisory Committee (IN PROGRESS) 	<p>As reported above.</p>
		<p>Established a new ESG (environment, social, governance) and sustainability analysis by senior management, as part of future property developments and licences, and reviewed all current applications and developments (IN PLACE)</p>	<p>As reported above. Senior management are involved and engaged throughout this process.</p>

IPR Theme	Sustainability Commitment	Key Endeavour Actions Commenced	What these actions mean in practice
<p>Demonstrating our commitment to innovative, industry-leading practices in responsible sale and service of alcohol</p> <p>And</p> <p>Minimising and ameliorating harm from excessive alcohol consumption</p>	<p>(Goal 1): Train 100% of team members in the principles of responsible service of alcohol and gambling</p> <p>(Goal 1): Implement effective programs and technologies to prevent the sale of alcohol to minors</p> <p>(Goal 1): Achieve 100% compliance with industry codes</p> <p>(Goal 1): Link 20% of Long Term Incentive Plan for senior leaders to “Leading in Responsibility”</p>	<p>Invest in research and projects in collaboration with health experts, regulators, government and industry to reduce alcohol and gambling harm in the community (COMMENCED AND ONGOING)</p>	<p>Investing in research and projects to reduce alcohol harm, including commencing:</p> <ul style="list-style-type: none"> • new research with a leading third party researcher and academic, on the association between alcohol availability and harm (as directly recommended by the IPR). Research is being conducted in collaboration with other liquor retailers to ensure robust and accurate data • DrinkWise low and zero alcohol research for moderating risky drinking
	<p>(Goal 2): Employ innovative technology to identify and support customers who may have a problem with alcohol consumption or gambling</p> <p>(Goal 2): Maintain the largest range of low and zero alcohol alternatives</p>	<p>Expand responsible consumption campaigns aimed at reducing underage drinking (IN PROGRESS AND ONGOING)</p>	<p>Annual targeted program to reduce underage alcohol supply (including secondary supply) during schoolies week has been expanded from retail outlets to all Endeavour Group retail, hotels and e-commerce sites in identified schoolies “hot spots”, throughout the relevant period in November and December - total retail and hotel execution is 292 properties.</p>
	<p>(Goal 2): Build knowledge of how to inform and influence responsible choices and embed learnings in our business</p> <p>(Goal 2): By 2025, reach 5 million people with campaigns on responsible consumption and harm minimisation</p>	<p>Commenced work on F22 workplan to underpin the assessment and evaluation of the 20% LTI metric related to “Leading in Responsibility” (IN PROGRESS)</p>	<p>Work continues, with detailed reporting to be included in the Annual Sustainability Report of all initiatives that have been completed to exceed legal compliance and advance our industries, and which relate to the responsible sale and service of alcohol and gambling, and promote or enhance responsible consumption.</p>

IPR Theme	Sustainability Commitment	Key Endeavour Actions Commenced	What these actions mean in practice
	<p>(Goal 3): Invest in research and projects in collaboration with health experts, regulators, government and industry that aim to reduce alcohol and gambling harm in the community</p> <p>(Goal 4): Continue to invest and engage with industry representatives and associations to explore opportunities for improving community outcomes</p> <p>(Goal 5): Increase our investment in national harm minimisation and prevention initiatives</p>	<ul style="list-style-type: none"> • Establish a Darwin Community Advisory Committee (IN PROGRESS) • Appointed a Senior Advisor Community Engagement and Sustainability (IN PLACE) 	<p>See above</p>