

Operational Waste Reporting Criteria

General

This Operational Waste criteria has been developed to ensure Group wide consistent and transparent measurement and reporting.

Introduction

Definition of Waste:

“...any substance or object which the holder discards, intends to discard or is required to discard...”

As a society we need to make the most of the resources we use, we need to reduce waste and we need to address the impact that plastics and packaging have on our local and global environments. The Grafton Waste Hierarchy identifies preferred options for managing waste and obviously gives priority to waste **Prevention**, followed by **Re-use** and activities that prepare waste for re-use (e.g. cleaning, checking, repairing). This is then followed by **Recycling**, various different forms of **Recovery** (including producing energy from waste) and finally, **Disposal** (e.g. landfill) is regarded as the last resort. Under this hierarchy Grafton Group must take responsibility for the waste we produce and, depending on the nature of the waste, ensure that we use the most preferred option on the waste hierarchy wherever we can.

Key Reporting Drivers

- Managing operational waste and identifying reduction opportunities.
- Public reporting and participation in mandatory reporting programs.

Reporting Boundary and Metrics

All Grafton Group subsidiaries must report their waste as follows:

1. Total metric tonnes of waste for the reporting period.
2. The total metric tonnes broken down into the destination of the waste (reported as per the Grafton Waste Hierarchy). If local waste management companies are unable to categorise into Re-use – Recycle – Recover – Landfill, then a slightly simpler categorisation should be used as below:
 - I. Recycled (which should include Re-use)
 - II. Recovered
 - III. Landfill
3. Total metric tonnes (as above for each hierarchy destination category) broken down into type of material categories by weight – using the most appropriate ones for the waste produced (e.g., paper, glass, aluminium, plastics, electrical, aggregates, hazardous etc). Again, the local waste management company should be able to provide this level of detail.
4. Proactive preventative activities undertaken by each individual business or with suppliers and waste management companies to reduce overall waste and/or divert waste from landfill.

Waste metric

Landfill diversion rate =

$$\frac{\text{Total tonnes of waste diverted from landfill}}{\text{Total tonnes of waste generated in operations}}$$

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Operational Waste Targets

Operational Waste Target by end 2025

- 95% landfill diversion across all Group businesses
- 15% reduction of total operational waste tonnage relative to revenue (using 2021 as the baseline year).

Operational Waste Targets by end 2030

- 100% landfill diversion across all Group businesses
- 30% reduction of total operational waste tonnage relative to revenue (using 2021 as the baseline year).