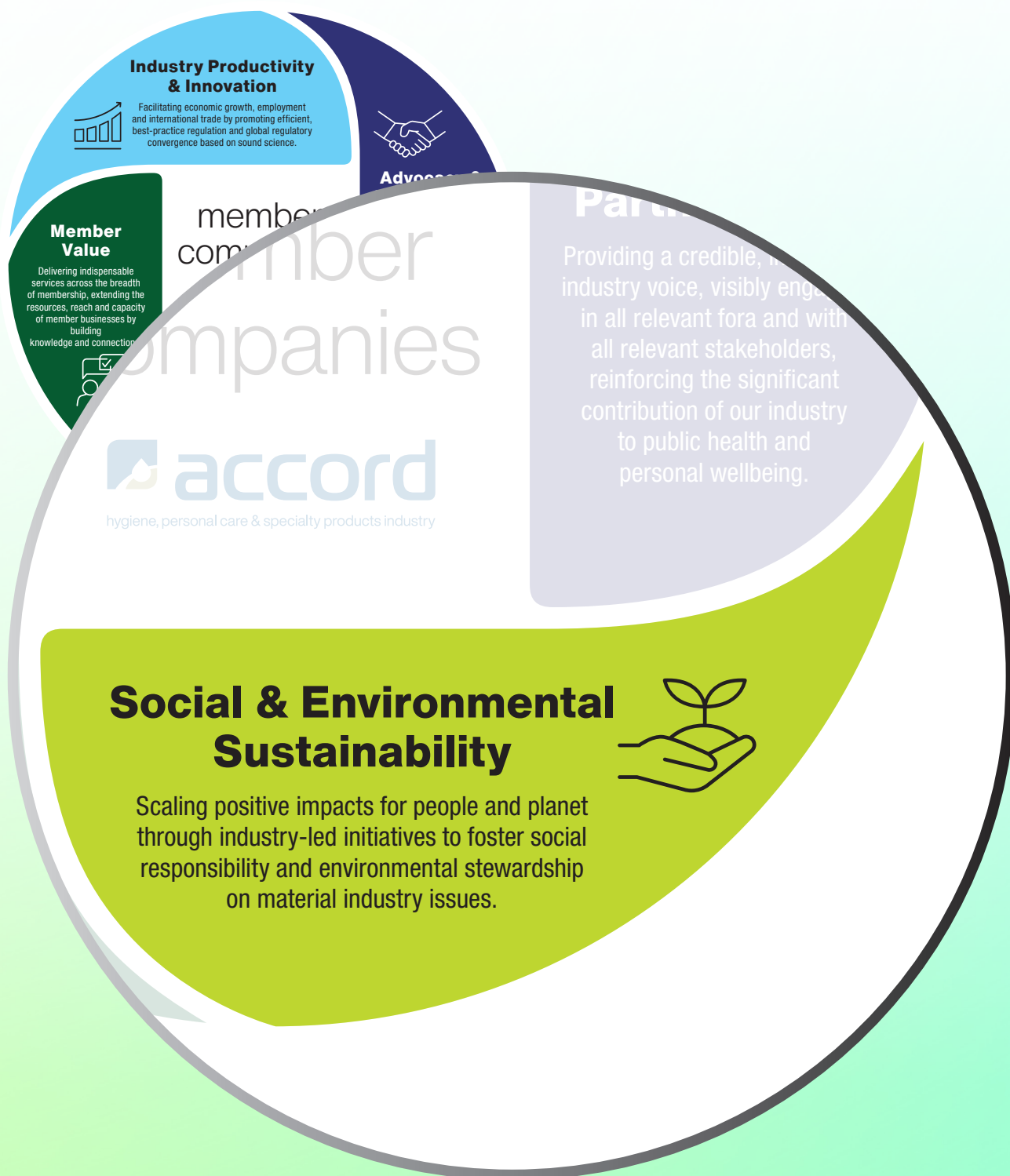


Social & Environmental Sustainability



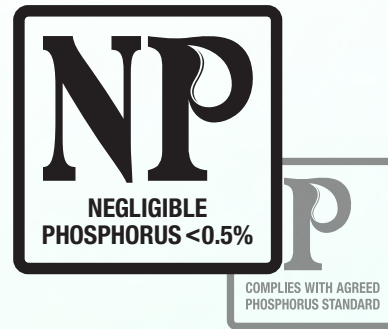
Social & Environmental Sustainability

Scaling positive impacts for people and planet through industry-led initiatives to foster social responsibility and environmental stewardship on material industry issues.

Some key achievements for 2023–2024

- We released our Climate Change Survey Report, the results of our comprehensive survey of member companies on their climate change attitudes, actions to date on the issue and barriers to change. The findings of this survey have assisted in shaping Accord's ongoing strategy on this important issue, allowing us to prioritise actions to assist our industry sectors – *read more about this report on page 9*
- Our important strategic work in sustainability and specifically plastics and waste management continued – our dialogue and engagement with a range of key stakeholders increased throughout the period, including with relevant government policy officials, the APCO management team and sister industry associations.
- We monitored policy developments relating to packaging waste locally and globally, through our expanding networks, to inform priorities across Accord's sectors. This also included outreach on specific New Zealand initiatives.
- We continued to engage as a contributing member of the International Associations Collaboration Working Group on the UN Plastics Treaty, including promotion of our global industry position supporting a workable Treaty to Australian negotiators.
- In February 2024 we held a Cosmetic CEO Roundtable, to discuss priorities and objectives for cosmetic product packaging waste in the short, medium and longer term.
- The work of our Small-format Cosmetics Working Group continued, with experts in the field from 10 Accord member companies working to develop industry-led approaches to reducing the impact of small-format cosmetics packaging waste.
- In September 2023 we had our first official Accord Volunteering Day, donating our time to assist Look Good Feel Better to stuff and pack their Christmas Crackers.
- In November 2023, Accord's Jen Semple was invited to be on a panel at the ISSA Expo on 'Why ESG is the future', discussing the rise of environmental, social and governance and what it means for the cleaning & hygiene industry.
- We established a new Technical Working Group for the expansion of Accord's Recognised Scheme for commercial cleaning & hygiene products.
- We completed the first two-year review of the Voluntary Industry Code to Support the Australian Ban on Testing Cosmetics on Animals, including a public consultation and industry survey, to ensure the Code remains fit for purpose. An updated Code is due to be published in 2024-25.

- We formally retired the 'P' Logo from Accord's Phosphorus Standard, establishing the 'negligible' phosphorus 'NP' logo as the new sector-wide benchmark for Australian household laundry products.
- Members also frequently sought guidance from Accord on best practice sustainability approaches across a range of areas.



The Accord Team volunteering for Look Good Feel Better, September 2023



Jen Semple presenting at the ISSA Expo, November 2023

Social & Environmental Sustainability

Climate Change Survey Report

In late 2023, Accord conducted a member-wide Climate Change Survey to better understand member companies' attitudes towards and actions on climate change. The survey also served to shape Accord's strategy on this important issue, to assist us in delivering what will be most helpful and effective for our sector and of maximum benefit to members.

The survey results revealed a strong awareness of the business risks associated with climate change but also highlighted challenges and barriers facing firms wishing to take positive action.

Headline Statistics



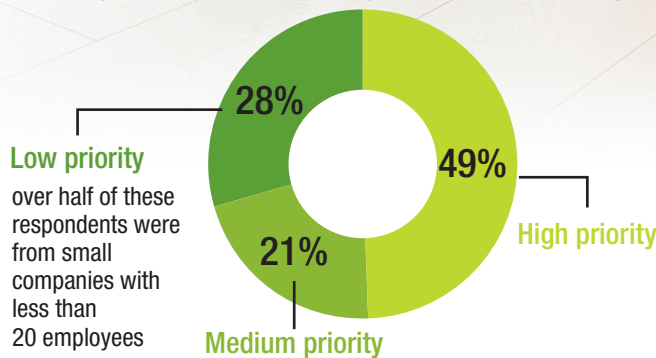
Company size was a major factor in determining how well a business can engage and respond to climate risks. Time pressures from daily business challenges combined with a lack of resources and internal expertise limit the ability of SMEs to engage on climate action. Australia's governments need to consider these realities when designing and implementing climate-related policy interventions. Any policy approaches that just layer on more climate-related red tape are therefore not going to be the answer.

An information gap?

Accord also asked member businesses how we can best assist their efforts to address climate change challenges. Overwhelmingly, 74% of our responding members called on Accord to share reliable information relating to climate change, including matters relating to policy decisions, grants, campaigns, standards and credentials.



Company action on climate change as a business priority?



Top three barriers to action on climate change?



Overcoming the barriers to action

Filling this information gap to combat a lack of internal company expertise is not an easy task for individual associations, especially as most do not have internal expertise on climate change matters themselves. Accord has been partnering and tapping into our external networks, locally and overseas, such as RSM Australia, Climate Wise Associations and the American Cleaning Institute on this topic.

Governments also have a part to play here, by providing reliable and clear information resources that are better targeted to business needs.

And what about the barriers to climate action arising from significant financial and business pressures and businesses simply being time poor? While the current economic conditions hinder businesses, so does the seemingly unrelenting burden of poorly targeted government regulation and red tape. Effective policies to reduce red tape and improve productivity across the board will therefore be essential for fostering positive action by businesses to tackle climate change.