TOLL

Sustainability Report

2023

About this report

This report covers Toll Group's sustainability performance from 1 April 2022 to 31 March 2023 (as per the Japanese financial year). This report was developed with reference to the Global Reporting Initiative Standards 2021 (see index page 86 for the full list of disclosures).

Our approach to sustainability reporting focuses on the material issues affecting our organisation and stakeholders and aims to be balanced, transparent, timely, and relevant. Unless otherwise stated, disclosures cover Toll Holdings Pty Limited and the entities it controlled during the financial year.

Contents

Contents

Statement *from the* Managing Director

In line with our commitment to decarbonisation, we have developed a comprehensive strategy and roadmap. This approach encompasses four key strategic pillars:

- Measure and Communicate – Establishing a baseline and capabilities to measure Scopes 1, 2 and 3 emissions and communicating our progress.

- Innovation for Decarbonisation – collaborating with like-minded partners to implement new technologies and learnings.

- Capability Building – developing and implementing roadmaps to decarbonise across our fleet and property portfolios.

- Orientation and Tipping Points – presenting a future vision of logistics and building the business of the future.

We have invested in low-emission fleet vehicles, including electric fuel cell hydrogen prime movers, and battery-electric rigid and hybrid vehicles. Additionally, we successfully trialled the first fully electric yard tractor in Australia, capable of 24-hour continuous operation, as part of our collaboration with Coles.

Our buildings in Singapore now have solar panels to help generate clean electricity and reduce our reliance on traditional power sources. Furthermore, our newly constructed facilities in South Korea, India and Australia have achieved a minimum 5-star green star rating, exemplifying our dedication to sustainable infrastructure. From 2025, all newly constructed facilities, including owned or leased, will have a green building rating applicable by the World Green Building Council to the country where the facility is located.

ST Logistics, our Singapore-based subsidiary, reduced greenhouse gas emissions (tCO2e) by 7.5% and reduced plastic waste by 40% in FY23.

Safety and mental health and wellbeing

Safety and care for our people remain a top priority for Toll. We have continued to decrease our Critical Incident Frequency Rate with a 10% reduction in FY23.

Commitment and focus for 2024

Looking ahead to the 2024 financial year, we remain resolute in our commitment to sustainability, and we will implement initiatives under each of the four pillars of our decarbonisation strategy.

In conclusion, I would like to express my gratitude to our dedicated employees, valued customers and stakeholders for their ongoing support in our sustainability journey.

Thank you.

Alan Beacham
Managing Director, Toll Group

FY23 performance *at* a glance

$5.8b
revenue

$103.6M
earnings before income tax

$2b
capital injection

Zero
workplace fatalities in three years

10%
decrease in Critical Safety Incident Frequency Rate

7.5
employee engagement score (out of 10)

$183M
invested in fleet, facilities and technology

S$20M
Toll Innovation Centre opened in Singapore

26%
revenue from Asia

New brand launch
Curiosity in Motion

Acquisition of drone technology company

58,000
hours of employee training

At Toll,
we move the businesses *that*
move the world.

Overview of business

Toll Group operates an extensive global logistics and freight forwarding network spanning 150 countries, with over 20,000 business customers. We have direct operations in 27 markets, with strong agent partnerships in countries where we are not directly present. To help our customers best meet their global supply chain needs, we provide a diverse range of transport and logistics solutions covering road, air, sea and rail. Toll Holdings Pty Limited is an Australian company, 100% owned by Japan Post Co., which is majority owned by the Japanese Government and listed on the Tokyo Stock Exchange.

Our teams can help solve any logistics, transport, or supply chain challenge – big or small – to deliver an integrated supply chain, with end-to-end services for our customers.

Overview *of* business

16,000+
team members worldwide inc. employees, subcontractors, casuals

A$5.8B
revenue with 26% from Asia

Dual headquarters
Singapore and Melbourne

20,000+
customers

Proudly part of
Japan Post

2M sqm
warehouse space

Safety obsessed
We care for our people and communities

500,000
air and ocean freight shipments annually

500 sites
in 27 markets

9M pallets
of groceries delivered

A forwarding network spanning
150 countries
in Asia, Australia, North America, Europe, Africa and the Middle East.

3,000
rescue missions performed each year by Toll Ambulance Rescue

16,000
people placed in logistics jobs each year by our Toll People recruitment team

44,000+
strong fleet of transportation vehicles, vessels, plants and equipment

The **Toll offer**

Key memberships and strategic partnerships

We work closely with relevant industry associations to advocate for our sector and drive reform. These include:

- Australian Industry Group
- Australian Logistics Council
- Australian Trucking Association
- Singapore Logistics Association
- Singapore Maritime Foundation
- Australian Chamber of Commerce (Singapore)
- Japanese Chamber of Commerce and Industry

- International Air Transport Association
- Freight and Trade Alliance
- Australian Climate Leaders Coalition
- Victorian Transport Association
- Property Council of Australia
- Australia-India Business Council
- Australia-Indonesia Business Council

Freight Forwarding

SERVICES

Ocean Freight Forwarding – Air Freight Forwarding – Multi-Modal Freight Forwarding – Domestic Freight Forwarding – Customs Clearance – Value-added Services – Freight Management – Consolidation and Deconsolidation – Warehousing

REGIONS

Asia → ANZ   Intra-Asia   Asia → Europe   Asia → North America

INDUSTRIES

Government & Defence

Resource & Industrials

Energy Transitions

Retail & Consumer

eCommerce

Contract Logistics & Distribution

SERVICES

3PL/4PL – Lead Logistics Services – Warehousing – Distribution – Specialised Logistics – Remote and Resource Logistics – Contract Labour – Supply Chain Solutions – eCommerce – Aviation Services – Value-added Services

REGIONS

Australia   Singapore   China   India   Indonesia   Vietnam

INDUSTRIES

Healthcare

Technology

Food Security

Financial performance

In FY23, we delivered above our budget forecast on key financial targets, including a revenue of $5.8 billion, and Earnings Before Income Tax (EBIT) of $103.6 million.

At a business level, Global Forwarding delivered a revenue of $2.3 billion. This was driven by strong market conditions in the first half of the year, and strong results in Australia & New Zealand, Asia and the EMEA region. The market outlook remains subdued in the short term and the team is focusing on opportunities to drive new growth and reduce cost.

Australia and Asia Logistics generated a revenue of $3.5 billion, driven by strong performances in our government contracts in Australia and Singapore. Our Asia growth exceeded forecasts as the team grew customer partnerships with companies such as Lego and Unilever. The Australian businesses made substantial strides in delivering commercial and productivity improvements. Retail & Consumer delivered quarter-on-quarter improvements to both earnings and profit margin, while the Resources & Industrials team delivered a significant turnaround in the second half.

Our approach to taxation

We are committed to operating with transparency, maintaining shareholder value and complying with the tax laws in each jurisdiction that we operate in.

Globally, all Toll Group businesses are supported by our in-house tax function, Group Tax, for tax management issues. Tax risks are identified through business reporting to Group Tax, liaison between Group Tax and other functions, and via formal sign-off processes for internal and external transactions.

Board tax policy

— Approach to tax risk management.
— Guides the tax risk classification (routine, low, medium, or high) based on a combination of quantitative and qualitative factors.

Tax compliance policy

— Summarises the principles contained in the Board Tax Policy and the TRMF, and is available on both the Toll Group intranet and external website.

Tax Risk Management Framework

The Tax Risk Management Framework (TRMF) applies to Toll Group, including the Board, all Toll Group employees, and any external persons who work for, or on behalf of, Toll Group.

— Details the policies and procedures required to meet the Board's expectations.
— Outlines the framework in which the tax obligations of Toll Group are to be met from an operational, governance and tax risk management perspective.

Our sustainability framework

At Toll, we have developed a framework for sustainability to help direct our attention and focus to the core areas below.

Climate change action

Diversity *and* **inclusion**

Sustainable supply chain management

Community impact *and* **engagement**

United Nations Sustainable Development Goals

Sustainable development

The Sustainable Development Goals (SDGs) are a blueprint for a better and more sustainable future, as set out by the United Nations during the 2030 Agenda for Sustainable Development. The SDGs are a collection of 17 goals with specific targets that build on the success of the Millennium Development Goals (MDGs). As a global business, we recognise our role in contributing to the SDGs and support the collaboration between government, business and civil society to create a more equitable world.

As part of our commitment, we have undertaken a process to map the SDGs against our material issues and consult with stakeholders to identify where we can make the most significant impact. The process helped identify the four key SDG goals we will work on, including ongoing monitoring and reporting on our impact. In this report, we also map the SDGs against key topic areas to demonstrate how we align with the SDGs outside of the core goals identified below.

United Nations Sustainable Development Goals

Targets

8.4
Improve progressively, through 2030, global resource efficiency in consumption and production and endeavour to decouple economic growth from environmental degradation, in accordance with the 10-year framework of programmes on sustainable consumption and production, with developed countries taking the lead.

8.7
Take immediate and effective measures to eradicate forced labour, end modern slavery human trafficking, as well as secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

9.4
By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

12.2
By 2030, achieve the sustainable management and efficient use of natural resources.

12.6
Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

12.7
Promote public procurement practices that are sustainable, in accordance with national policies and priorities.

13.1
Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.

13.3
Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

Our material topics *and* approach

Our materiality approach

Understanding the environmental, social and governance (ESG) issues most relevant to our business and stakeholders is essential for developing a strategy that best manages our sustainability impacts and creates long-term value for stakeholders.

To identify these issues, we undertook a materiality assessment that included these key steps:

1

Defining the scope

Deciding which operations, products and services would be included in the assessment.

2

Identifying stakeholders

Identifying the stakeholders who are affected by or have an interest in our sustainability performance. Stakeholders included employees, customers, investors, suppliers, NGOs and local communities.

3

Gathering data

Collecting data on our ESG performance, including environmental impacts, social risks and governance practices.

4

Prioritising issues

Selecting the most significant ESG issues based on their potential impact on our ability to create long-term value and their relevance to our business strategy and operations.

5

Reporting and communicating

Communicating the results of the assessment to stakeholders through internal meetings and interviews.

6

Monitoring and reviewing

We are committed to monitoring and reviewing our materiality assessment regularly to ensure the issues identified remain relevant and that our sustainability strategy continues to align with stakeholder expectations and regulatory requirements.

Our material topics *and* approach

Our materiality refresh

In FY21, we conducted an in-depth materiality assessment guided by the Global Reporting Initiative Standards 2016 (see the 'Sustainability Report 2021' for more details). In FY23, we undertook a review of our material topics to assess whether they remained reflective of the risks and opportunities that matter to our business performance and our stakeholders while positively impacting society and the environment.

Our FY23 refresh included the following:

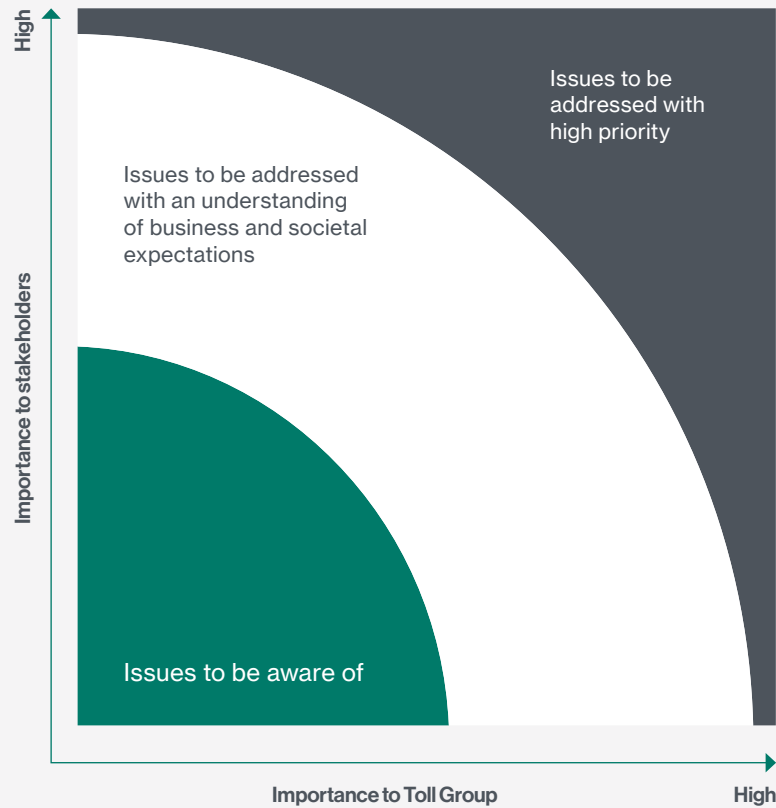| Conducting management interviews | Reviewing internal documents | Scanning material issues and reporting across the industry | Analysing the World Economic Forum's Global Risks Report 2023 | Reviewing media coverage |

Our material topics *and* approach

Our key material issues

After validating findings within the business, we identified 18 topics across five categories including six high priority material issues (see below).

Issues to be addressed with high priority

Issues to be addressed with an understanding of business and societal expectations

Issues to be aware of

Importance to stakeholders

Importance to Toll Group — High

High

Energy and greenhouse gas emissions

Employee health, safety and wellbeing

Cyber security and privacy

Talent attraction and retention

Diversity, inclusion and belonging

Customer satisfaction and engagement

Our material topics *and* approach

Our key material issues

Page ref		High material issue	Alignment to GRI	Alignment to SDGs
Pg. 39		**Energy and greenhouse gas emissions**	302-1, 305-1, 305-2, 305-3	7 AFFORDABLE AND CLEAN ENERGY / 13 CLIMATE ACTION
Pg. 34		**Employee health, safety and wellbeing**	403-1, 403-2, 403-3, 403-4, 403-5, 403-7, 403-8, 403-9	3 GOOD HEALTH AND WELL-BEING / 8 DECENT WORK AND ECONOMIC GROWTH
Pg. 21		**Customer satisfaction and engagement**		11 SUSTAINABLE CITIES AND COMMUNITIES / 17 PARTNERSHIPS FOR THE GOALS
Pg. 27		**Cyber security and privacy**		9 INDUSTRY, INNOVATION AND INFRASTRUCTURE / 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Pg. 59		**Talent attraction and retention**		8 DECENT WORK AND ECONOMIC GROWTH
Pg. 56		**Diversity, inclusion and belonging**	405-1	5 GENDER EQUALITY / 8 DECENT WORK AND ECONOMIC GROWTH

Our governance structure

We are committed to sound corporate governance practices and this is the responsibility of everyone at Toll, from directors and senior executives to the most junior employees. We commit to transparency, acting with care and diligence, respecting the environment and promoting a safe, secure and healthy work environment.

Our parent company, Japan Post Co., engages with us throughout many levels of the business. Through the leadership of the Managing Director, the Global Leadership Team (GLT) is responsible for the development and implementation of our strategic plans.

Japan Post Co. Limited

The Board of Toll Holdings Pty Limited

Toll Group Global Leadership Team

Audit and Risk Committee

Health, Safety and Environment Committee

Global Forwarding

Australia and Asia Logistics
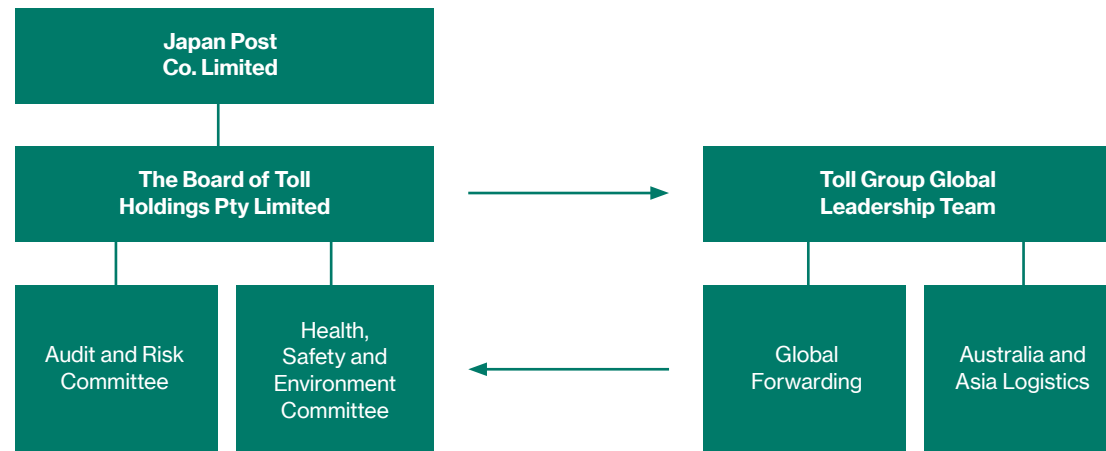
The Board of Toll Holdings Pty Limited
has established two sub-committees:

The Audit and Risk Committee (ARC) assists the Board to fulfil its oversight responsibilities relating to the preparation of our financial reports, internal controls, matters pertaining to external auditors and our internal audit function, risk management framework and policy. The ARC also reviews financial (including tax), legal, insurance, compliance and security risks.

The Health, Safety and Environment (HSE) Committee supports and advises the Board on health, safety, as well as environmental risks and impacts, with reference to the appropriate laws and governance standards in the countries in which we operate. The HSE Committee monitors and supports executive management activities to pursue a high-performance safety and environment culture across the business.

Our **governance structure**

Sustainability governance structure

Our sustainability governance structure helps us deliver our broader sustainability strategy. As part of this structure, we have a Sustainability Steering Committee (SSC) responsible for reporting key actions to the Global Leadership Team (GLT) and the Health, Safety and Environment (HSE) Committee.

The SSC meets at least monthly to provide direction on our four key pillars of sustainability:

Climate action

Community impact and engagement

Sustainable supply chain

Diversity and inclusion

The committee is focused on driving the implementation of the decarbonisation strategy with actions such as:

Committing to and communicating credible targets and activity.	Building internal capability to decarbonise.
Partnering with innovative customers to decarbonise.	Recognising and capturing when key points are triggered.

The property and equipment working groups will deliver the decarbonisation roadmap and report to the SSC. Comprised of representatives from across the business, the two working groups currently focus on decarbonisation, though they have a broader remit across all sustainability pillars.
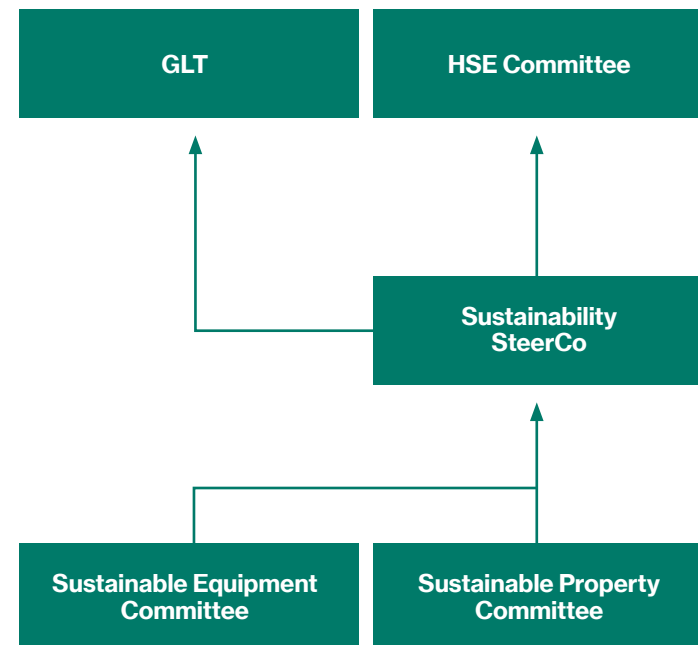
Our stakeholders

We engage with our stakeholders through various avenues including our website, social media channels, internal intranet, webinars, surveys and corporate communications such as this report.

Toll's stakeholders	See further information
Japan Post (parent company)	
Customers	p. 21
Employees	p. 34
Government and regulators	p. 30
Media	
Business partners and suppliers	p. 66
Communities	p. 70
Environment	p. 39

Customer satisfaction *and* engagement

Why this matters

We move the businesses that move the world. Understanding and meeting our customers' needs is fundamental to achieving our purpose.

How we manage this

Throughout our 130-year history, our spirit of progress has driven us ever forward. Today, our brand represents a legacy of reliability, a symbol of trust by our global customers and a source of pride for our team. Our brand 'Curiosity in Motion' captures how we at Toll deliver on our customer promises today while always getting better, being better and doing better.

We support our customers' operational success and sustainability journeys alongside our own. Some highlights in FY23 include:

Electric yard tractor trial

On 15 November 2022, we commenced a trial of a zero-emissions electric yard tractor at the Coles Truganina distribution centre. This is the first yard tractor in Australia capable of 24-hour continuous operation.

Supporting our customers through lockdown

The Toll China team was recognised by key customers for their commitment to service delivery and agility during the continued 2022 lockdowns in China.

Johnson & Johnson held their annual Best Supplier awards ceremony in July 2022, awarding Toll the Best Supplier Contribution Award from Johnson & Johnson Vision. The customer strongly acknowledged and recognised the commitment and cooperation displayed by Toll in 2022, especially during the pandemic, to ensure the continued operation of the warehouse business.

LEGO recognised Toll for providing the best support during the lockdown, which enabled the successful continuation of their regional and domestic deliveries. The customer sees Toll as a key strategic and innovative partner to collaborate on sustainability and supply chain resilience initiatives.

Customer satisfaction *and* engagement

We support our customers' operational success and sustainability journeys alongside our own. Some highlights in FY23 include:

Transport Management System goes live in Indonesia

Our strategic Transport Management System (TMS) solution for Asia was successfully deployed in Indonesia with our new BlueScope transport operations that went live in June 2022. The partnership with one of the world's leading manufacturers of painted and coated steel products is a first for Toll Indonesia.

The Asia TMS features a standardised set of proprietary transport management processes and capabilities, carefully selected and tested to meet our operational needs for customers in the region. As a result, we reduced the typical TMS deployment timeframe with fewer implementation issues and introduced some configuration-based flexibility for products, sectors and customers.

Creating next-generation supply chains

We continue working with innovators of emerging technologies to identify opportunities and conduct tests in real-world operational environments. In October 2022, the Toll Innovation Centre was launched in Singapore, a S$20 million investment that brings together businesses, leading startups and academia to foster collaboration and innovation in supply chains. The Toll Innovation Centre is located at Toll City, a state-of-the-art multi-storey warehouse and office space in Tuas.

The centre spans over 500 square metres and has four zones: the kinetic exploration garage, the digital experience centre, the innovation and collaboration zone, and the visionary lab.

Customer satisfaction *and* engagement

We support our customers' operational success and sustainability journeys alongside our own. Some highlights in FY23 include:

APAC Paramount Achievement Award

The Toll Global Forwarding Shanghai team is proud to have been awarded the APAC Paramount Achievement Award 2022 by Lenovo AP Services Support.

The award was presented to the team to recognise their consistently excellent KPI performance. While Shanghai was in lockdown due to COVID-19, the team provided alternatives and innovative solutions to ensure Lenovo's supply chain was uninterrupted and in doing so, demonstrated a deep understanding of Lenovo's supply chain requirements.

The award is also a testament to the collaboration within the team – across client services and operations – and their customer-centric approach.

Toll Helicopters acquires uncrewed capability

On 17 February 2023, the business finalised the acquisition of Air Support Queensland Pty Ltd (ASQ), a leading Australian uncrewed aircraft system (UAS) flight operations and training provider. Together with its existing aviation business, we will deliver standalone and integrated rotary and uncrewed operations and training support to the defence, aeromedical, search and rescue, airborne law enforcement, resource and utility aviation sectors. The acquisition creates a hybrid capability that can optimise client safety, crewed and uncrewed aviation capabilities, and value for money.

Automating in South Korea

Four of our customers in South Korea were moved to a new automated warehouse in Baeksa to accommodate the increased B2B and B2C volume. The new 23,000 square metre space not only consolidates our operations but also raises the productivity rate of our Asia Logistics Korea operations by 40% with the implementation of two different types of Autonomous Mobile Robots.

The new site will be closer to Icheon City, which means reduced travel time for employees and faster deliveries to stores from our warehouse.

Looking forward

To be the best logistics company for all our customers, we need to understand their needs and be responsive in solving their challenges. What makes us different is giving customers the best service today while continually finding new and better ways to deliver.

'Curiosity in Motion' captures this promise. It means we share the same priorities as our customers. We identify new opportunities, take the long-term view and always find new and better ways of doing things.

Anti-bribery *and* anti-corruption

Why this matters

At Toll, integrity and transparency are among our core values. Conducting our business ethically and openly is fundamental to our business, reputation, customer retention and employee engagement.

Reinforcing our defences against bribery and corruption is a key priority, alongside fortifying our culture of integrity across all levels of the business.

How we manage this

We do not tolerate breaches of our anti-bribery and anti-corruption policies or unethical behaviour.

The Group Compliance team manages the Anti-Bribery and Corruption, Sanctions and Modern Slavery programs and related compliance initiatives such as compliance training, whistleblower compliance issues, compliance risk management and our Business Compliance Champions (BCC) program.

Anti-bribery *and* anti-corruption

Photo: BCC Conference 2023 with sponsors Alan Beacham, Managing Director, and Kate Carlile, Chief Legal Officer

The Business Compliance Champions (BCC) program plays an important role in enhancing compliance awareness and promoting an ethical corporate culture within our organisation.

Each champion supports Group Compliance and the broader business through activities such as:

• Delivering in-person training to improve general compliance awareness.

• Working with local teams to address gaps and potential issues that may impact the effectiveness of the Sanctions Compliance Program.

The BCC program will maintain its momentum and continue driving the highest standard of ethics that reflect the core values of our business.

Anti-bribery *and* anti-corruption

Enforcing our codes

The Toll Global Code of Ethics expresses our opposition to bribes, facilitation payments, political donations, personal conflicts of interest, gifts and charitable benefits that could affect our own or others' impartiality in business proceedings. These expectations apply to our operations, partners and suppliers.

The Toll Group Employee Code of Practice outlines our expectations of all employees across all global operations concerning bribery and corruption. It outlines procedures employees must undertake if they encounter bribery or suspect corruption within our operations.

The Toll Group Supplier Code of Practice manages corruption in our supply chains. Our suppliers must sign and comply with this Code, which applies Toll's anti-bribery and anti-corruption standards to partners.

Facilitating whistleblowing

Our Whistleblower Policy and the Toll Disclosure Hotline enable our stakeholders to report misconduct and business practices that are inconsistent with our codes of practice and ethics. The independently operated and anonymous hotline is available to employees, suppliers and their relatives to report fraud, unethical or unlawful conduct, as well as any breaches of our policies. Our whistleblowing system is accessible in multiple languages and is available 24/7 via phone or online.

Managing compliance risks

Our Chief Legal Officer is responsible for all reports about compliance and unethical behaviour. Our security team investigates all reported incidents.

We have invested in a dedicated team of compliance experts to support the business in understanding its compliance-related duties and responsibilities. As a result, Group Compliance has developed compliance programs, internal policies, procedures and training designed to address potential compliance risks and create a culture of compliance within the business.

Since 2020, we have been an active member of Trace International, a globally recognised business association dedicated to anti-bribery, compliance and good governance.

We seek to empower our employees to respond to corruption risks. We have a suite of policies and standards designed to manage anti-bribery and anti-corruption throughout our operations and supply chain.

Third-party due diligence process
As part of our compliance risk management program, we have implemented a semi-automated Third Party Management System (TPMS) hosted by TRACE International and Ethixbase360. The compliance due diligence process is fully managed by our internal control tower team, focusing primarily on our agents' network. Additionally, any M&A or joint venture operations is subject to an in-depth compliance due diligence review.

Cyber security *and* privacy

Why this matters

Cyber security threats continue to evolve, and we must remain vigilant to prevent disruption to our business, employees, customers and broader community. A successful cyber-attack would significantly impact our day-to-day operations and employee security. It could also critically compromise our customers' experience, from operational disturbances to their own data security.

How we manage this

In FY23, we undertook several actions as part of our Cyber Resilience Program, designed to improve cyber security and technology risk management.

1
Further reinforced our identity, as well as access management and centralised authentication systems.

2
Maintained a strong focus on finding and remediating vulnerabilities throughout our network and infrastructure.

3
Managed risks associated with our separation from Team Global Express in readiness for final separation in FY24.

4
Improved segregation in our network to help limit and manage security incidents.

5
Maintained (and expanded) our ISO 27001 certification across our key sites worldwide. This international standard on information security management demonstrates our commitment to safeguarding information and data.

6
Internally audited and strengthened controls for all areas of our technology.

Cyber security *and* business

We have continued the security processes established in FY21, including ongoing employee training, further uplifting risk management processes, increasing the usage of our security platforms and driving a robust program of controls review and uplift. These initiatives help us detect, control and contain any incidents while minimising customer disruption.

We report regularly to the Board on cyber risk, with indicators including security governance and reporting, network and cloud protection, end-user awareness, incident response processes and asset lifecycle management.

Looking forward

We have completed the intense cyber resilience uplift program that commenced in FY21 and will now move to an annual cyber resilience investment program. The program will ensure we continue to adapt our cyber capability and controls as new risks emerge and the cyber threat environment evolves.

Crisis management

Why this matters

Our customers depend on us to continue delivering optimal service, even during crises. We must be ready to efficiently and effectively respond to disruptions while prioritising our people, communities, and customers. Additionally, a crisis management program is required by Security of Critical Infrastructure (SOCI) Legislation.

How we manage this

To prepare for the changing landscape of threats to our business, we continuously improve and implement processes to strengthen our resilience.

In FY23, we have:

- Reviewed and strengthened our policy and standard relating to crisis management and business continuity.

- Continued to drive our Crisis Management and Business Continuity Champions program, which sees a nominated champion from each business unit responsible for all activities necessary to ensure compliance with standards for crisis incident management and business continuity.

- Conducted a full-scale simulation exercise to test the ability of the Toll Group Corporate Response Team (CRT) and GL Asia Business Response Team (BRT) to respond to a significant disruption event at a critical facility. Teams responded effectively and were able to work together to manage response activities.

Our
governance

Our leadership team regularly reviews crisis management via the monthly Health, Safety, Security and Environment (HSSE) report, which details crisis incident management and investigations, crisis exercises and the latest training initiatives.

Our
policies

Our Crisis Incident Management and Business Continuity Standard and Policy underpin our approach to managing risks that threaten our ability to deliver on our business goals, such as security and service continuity.

Our
people

Our Crisis Incident Management teams receive induction training, annual refresher training and a desktop simulation exercise every 18 months. Our people participate in full-scale crisis drills testing various crisis scenarios, performed once every 18 months at a different site. We evaluate actual and simulated incidents for learnings to incorporate into our management approach.

Our
partnerships

We continue working with consultants to improve our crisis management approach. The consultants help our business units and operational sites plan and implement their business resilience plans and facilitate crisis management procedural training. The plans are updated annually and after every incident.

Advocacy *and* engagement *with* government *and* industry

Why this matters

We operate across numerous diverse international jurisdictions. The sustainability and efficiency of our operations depend on our understanding of the evolving regulatory and policy landscape and, where appropriate, advocating for the interests of the logistics industry and its customers.

Collaboration with governments is critical to preparing ourselves for future environmental policy developments. We also share our industry expertise with policymakers so they can develop and deliver the most effective strategies for the logistics sector.

How we manage this

Our government and industry relationships are managed and coordinated by our Head of Government and Industry Affairs, who leads our engagement with senior political and public service leaders.

Responsible advocacy is important to us, and we require compliance with our Global Code of Ethics in each country we operate in.

We participate in industry consultation processes to advance and embed sustainability and innovation in the logistics sector. We contribute to government task forces responding to crises in the logistics sector, such as significant road and rail transport disruptions in Australia caused by a series of natural disasters, particularly floods.

In FY23, we saw a change of government in several Australian jurisdictions, including the Federal Government and state governments in New South Wales and South Australia. We are working with government and industry counterparts as policies impacting our workforce and the transport and logistics sectors take shape.

Throughout the year, we remained closely engaged with governments and other key stakeholders regarding global economic challenges. These challenges include high input costs, labour shortages, as well as ongoing geopolitical tensions impacting the Asia-Pacific region and beyond.

Across Asia, we are engaging in initiatives to enhance the trade and investment environment and encourage growth. These initiatives include new trade agreements, broader economic strategies, as well as efforts to develop future industries and technologies.

Regarding sustainability, we continue to engage in developing policy initiatives across Asia and Australia. These include measures such as the Singapore-Australia Green Economy Agreement, which seeks to deepen engagement in developing technologies to advance environmental objectives, including industry decarbonisation.

Advocacy *and* engagement *with* government *and* industry

Case study:
Hydrogen

Government and industry partnership with Viva Energy and Toll

Coming into FY23, we entered a partnership with Viva Energy Australia (Viva), which is constructing the first publicly accessible hydrogen refuelling station in Geelong, Victoria, Australia.

The cutting-edge facility has been developed with funding from the Australian Government and the Victorian State Government. It will produce green hydrogen at a site adjacent to Viva's Geelong refinery, located close to the major arterial road between Geelong and Melbourne.

As Viva's transport and logistics partner, we have committed to bringing two hydrogen-powered trucks into our Viva fleet, which will utilise the Viva refuelling facility. This represents one of the first commitments to hydrogen-powered trucks by a major Australian heavy vehicle fleet.

Hydrogen has great potential for Toll's future fleets covering long distances with heavy loads. Critical infrastructure will provide certainty for our operations that service

major freight routes. As we noted in last year's report, further technological innovations require government support and investment to achieve commercial viability beyond pilot programs.

We will continue to call on governments to support industry developments, so we and the broader logistics industry can continue to securely invest in electrified fleets, including hydrogen.

Advocacy *and* engagement *with* government *and* industry

Freight infrastructure enabling greater efficiency and reducing environmental impact

Reducing carbon emissions from transport fleets requires a full range of options. While new technologies mature in the market, we need short-term measures to reduce the total number of vehicles in the fleet and help reduce total emissions.

We engage with government and industry counterparts on major infrastructure initiatives enabling freight consolidation, especially onto rail. Major initiatives include reviewing the Australian Government's Melbourne-Brisbane Inland Rail corridor project, with its associated intermodal terminals to facilitate mode shift.

We also work with government and industry partners to improve access to high-productivity freight vehicles to enhance road freight efficiency. As we operate such vehicles successfully in Australia and Singapore, we can share valuable insights with other countries across Asia dealing with heavy vehicle congestion and emissions.

Advocacy *and* engagement *with* government *and* industry

Community safety initiatives in Bangkok, Thailand

The safety of our people and the communities within which we operate is our number one commitment. Central to this is a passion for improving awareness and working with key government agencies to enhance the safety of roads in our communities, especially for children.

In FY23, we partnered with the AIP Foundation and local government agencies in Thailand to enhance the safety of roads adjacent to two schools in greater Bangkok. As part of this partnership, we invested in road safety modifications adjacent to the Promrat Rangsan School in Bang Bon, Bangkok.

Our in-country team also joined representatives from the Thai Government and law enforcement agencies to run education workshops for students at two schools, including the Soon Ruam Chai School in Khlong Toei, Bangkok.

Road and community safety remain fundamental to our engagement with key stakeholders across government and industry in the countries within which we operate.

Looking forward

We will continue to focus on the key initiatives below:

- Leading the development and advocacy of public policies which ensure a safe, sustainable and efficient transport and logistics sector in our key markets.

- Advocating for measures that expedite the transition to renewable energy and mitigate the impacts on supply chains and consumers.

- Working with policymakers and industry partners to tackle and address the challenges of a tight labour and skills market.

- Engaging broader stakeholders across key Asia markets in FY24.

Employee health, safety *and* wellbeing

Why this matters

At Toll, we care for our people and community through our ongoing focus on safety, wellbeing and sustainability. Our 'Safety Obsessed' strategy reflects this commitment and informs how we will protect the people, places and things that matter most.

How we manage this

Our global Health, Safety and Environmental (HSE) management system was developed based on organisational and customer risk profiles. The system defines the standards, expectations and performance requirements for all involved in our supply chain and operational delivery. As part of our approach, we also collaborate, consult and share learnings with our people, customers and industry partners.

Critical Risk Management Program

Our business operates in a dynamic, high-risk and operationally diverse environment. To improve our risk management, we work on identifying, assessing and implementing effective controls. Our Critical Risk Management (CRM) Program defines the processes, roles and responsibilities for managing all critical risks across Toll.

Our Critical Risk Management Standards

The CRM Standards set the minimum requirements for applicable Toll sites to create a baseline level of control over a specific critical risk. The standards include:

- **Powered Mobile Plant (PMP) / Vehicle / Pedestrian Interaction Standard**

- **Falling Freight Standard**

- **Uncontrolled Movement (heavy vehicles) Standard**

We conduct annual reviews to verify and identify critical risks, which are determined based on our critical incident data. As of 31 March 2023, we had completed 720 required CRM Assurance Audits to verify the implementation of the three CRM standards at identified sites.

We also commenced the development of the new People Falls from Height Standard, which will be finalised and implemented in FY24.

Employee health, safety *and* wellbeing

Safety Obsessed leaders

Our Safety Obsessed approach highlights our commitment to building a culture that prevents incidents and injuries while promoting genuine care for the health, safety and wellbeing of our people, customers, communities and the environment.

A key part of developing our Safety Obsessed culture is to build a solid commitment to safety. To do this, we engage team members across Toll and encourage them to speak up, reach out and actively care for each other in Safety Obsessed Leadership workshops.

The Safety Obsessed Leadership workshop program continued in FY23 in partnership with business unit and functional leaders as per the rollout plan. Across the year, we delivered 90 Safety Obsessed Leadership workshops to 915 participants across Australia and Singapore. In FY24, our Safety Obsessed Leadership Program will expand across key countries in Asia.

Measuring our performance

Our Board monitors lead and lag indicators monthly. Our lead indicators include safety conversations conducted, timely Significant Safety Incident Investigation completion and closeout of actions. Our key lag indicator, the Critical Incident Frequency Rate (CIFR), combines Significant Safety Incidents, Lost Time Injuries and Medical Treatment Injuries.

In FY23, our critical incident frequency rate (CIFR) reduced by 10.5% from the prior year, which achieved our target of a 10% reduction. In FY23, we had zero workplace fatalities.

Critical incident frequency rate (CIFR) FY20 - FY23

Year	CIFR	% change compared to previous FY
FY20	14.69	-
FY21	10.36	-29.5%
FY22	8.50	-18%
FY23	7.61	-10.5%
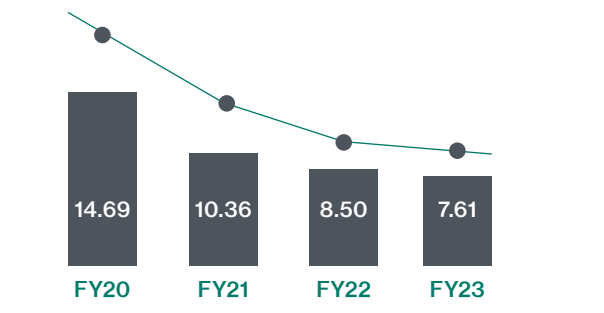
Employee health, safety
and wellbeing

FY23 wellbeing highlights

We are equally focused on our people's mental wellbeing as we are on their physical wellbeing.

Our Wellbeing Program combines the skills and insights of our internal wellbeing team, workplace Mental Health First Aid Officers (MHFAOs), and the diverse resources available through our external three-tier Employee Assistance Program (EAP) model. This has allowed us to provide tailored and responsive care for all our people and their families.

Mental Health First Aid (MHFA)

Our work with MHFA Australia continues to grow as we develop their workplace program within our business. Our engagement has so far included:

- Retaining MHFA Skilled Workplace recognition under their revised workplace recognition program.
- Creating industry-specific scenarios for the MHFA course in partnership with industry bodies.
- Participating in the MHFA workplace case study and promotional videos.
- Co-presenting at an International Mental Health Conference, showcasing Toll's Workplace MHFA program.
- Introducing MHFA Aotearoa New Zealand in October.
- Securing special permission from MHFA Australia to offer MHFA in Singapore in January.
- Expanding our leaders' understanding of the value of MHFA training via the MHFA Engaging Leaders Program.

The MHFA program is now available in Australia, New Zealand and Singapore.

Employee health, safety
and wellbeing

Employee Assistance Program (EAP)	Our three-tier EAP model provides traditional EAP support globally. 1. EAP support is available 24/7 through partnerships with Converge International, ICAS World and Vitae. 2. Connect Psyche offers our employees direct access to a psychologist. 3. Trauma Centre of Australia provides specialist support for those affected by critical or major incidents. The shared approach and communication between different divisions help deliver consistent EAP services across the whole group.
Industry engagement	In Australia, we work with industry-specific mental health groups, including Healthy Heads in Trucks and Sheds (HHTS), Steering Healthy Minds (SHM), and RUOK? In Trucks and Sheds. Our highlights include: • Being a founding member of the HHTS initiative and continuing to promote and support wellbeing training and education working groups. • Reviewing peer-to-peer programs offered through Lifeline and Beyond Blue. • Playing a key role in the inaugural RUOK? In Trucks and Sheds Day, which was launched within Toll on 17 May 2022. This work has allowed us to improve our mental health initiatives and share the insights gained with the broader community.

Looking forward

The challenge around direct access to our people and locations continues, though improved IT and communications channels have enabled new ways of engaging with our people.

In FY24, we will introduce a wider range of digital and in-person resources to further support our people on an individual and team basis.

Climate change action

Our sustainability framework

At Toll, we have developed a framework for sustainability to help direct our attention and focus to the core areas below.

Climate change action

We understand the transport sector is a significant contributor to global greenhouse gas emissions, and as a global logistics business, we have a responsibility to reduce our environmental footprint. As part of this responsibility, we have established a baseline, strategy and roadmap development designed to decarbonise our business and safeguard operations against the impact of climate change.

- Establish global Scopes 1, 2 and 3 emissions baseline

- Develop decarbonisation strategy and roadmaps focused on Scope 1 (fleet), Scope 2 (property) and Scope 3 emissions.

- Understand the impact of climate change on our critical infrastructure and develop appropriate responses.

Energy *and* greenhouse gas emissions

Why this matters

The transport sector is one of the most significant contributors to global greenhouse gas emissions. As a global logistics business, we are responsible for reducing our greenhouse gas emissions and playing our part in tackling climate change. We recognise that by reducing our greenhouse gas emissions, we can support our customers' work towards their own emissions reduction targets.

How we manage this

At Toll, decarbonisation is our most critical material issue. As part of our commitment, we are developing strategic blueprints to help guide tangible action (see the outline on page 47). We are developing key roadmaps to reduce Scope 1 emissions via our Sustainable Equipment Committee and reduce Scope 2 emissions via our Sustainable Property Committee. These groups will work on tangible actions and report on these to our Sustainable Steering Committee, which reports to our Global Leadership Team and Board.

Category	FY22 emissions (tCO2-e)	FY23 emissions (tCO2-e)	
	Australia only	Australia only	Global
Scope 1	196,630	197,937	217,211
Scope 2	20,540	21,808	33,117
Scope 3	336,820*	348,314	1,234,331

*Restated figure from FY22 Sustainability Report

Energy *and* greenhouse gas emissions

Case study:
Energy efficiency

Improving energy efficiency at our Singapore sites

We are investing S$6.8 million in the installation of over 10,000 solar panels at three of our key facilities in Singapore.

Monocrystalline solar panels are installed at the head office on Clementi Loop, the Toll City warehousing fulfilment and distribution facility in Tuas, as well as the Toll Offshore Petroleum Services (TOPS) facility in Loyang.

The solar panels are part of our broader sustainability strategy, which aims to transition to 100 per cent renewable electricity across all our properties globally by 2031. This initiative also supports Singapore's Green Plan to quadruple solar energy deployment by 2025.

Each year, the solar panels will reduce close to 3,000 tons of CO_2 across the three sites and generate almost 7,000,000 kWh of energy, equivalent to powering almost 20,000 homes in Singapore.

Toll will install electric vehicle charging stations across sites in Singapore to support the transition to electric vehicles, in line with Singapore's sustainability and environmental goals.

The solar panels are expected to be fully activated in early FY24.

Energy *and* greenhouse gas emissions

Case study:
Reducing emissions

First zero-emissions electric yard tractor in Australia

On 15 November 2022, we commenced a trial of the first fully electric yard tractor in Australia capable of 24-hour continuous operation at the Coles Truganina distribution centre in Melbourne's west. The ATM 38T Gaussin yard tractor from Nexport delivers zero emissions technology and supersedes models historically powered by diesel fuel.

The yard tractor features a Gaussin battery swap-out system that tackles the battery range challenges faced by traditional fixed battery systems. A drained power pack can be replaced with a fully charged battery in just a few minutes, eliminating vehicle downtime during charging. The batteries can be recharged with 100% renewable electricity sourced from the distribution centre.

In addition to the sustainability benefits, the vehicle has improved safety features, including automatic speed reduction for better vehicle stability and handling.

The trial of the electric yard tractor is part of our broader strategy to reduce emissions and deliver the same service with lower emissions.

In FY23, we made significant investments in energy-efficient facilities and fleet, including hydrogen, battery electric and hybrid truck vehicles.

Toll will continue investigating alternate energy opportunities to find operationally viable solutions to assist us on our journey to net zero.

Energy *and* greenhouse gas emissions

Case study:
ST Logistics goes green

In FY23 our Singapore-based subsidiary, ST Logistics, achieved a 7.5% reduction in its GHG (tCO2e) emissions and a reduction of approximately 40% in plastic waste generated. ST Logistics has set the year 2021 as its baseline.

Their achievements were guided by three strategic pillars:

Greener assets

We have electrified all our small Internal Combustion Engine (ICE) vans to Electric Vehicle (EV) vans.

Greener buildings

We have completed installation and activation of Solar Panels at three of our major sites. Furthermore, we have retrofitted existing lighting to more energy efficient ones.

Think green, act green

We have issued wheat-straw lunchboxes and mugs to all our staff to reduce the reliance on single-use plastic containers and bottles. We have successfully transitioned to a thinner shrink-wrap (from 23-micron to 12-micron) without compromising on safety and holding strength. We have also eliminated the use of shrink-wrap through developing our own canvas wrap for certain outbound operations.

Decarbonisation

Why this matters

Decarbonisation is one of the critical challenges of our time. As an organisation, we understand our activities contribute to climate change, so we need to be a part of the solution to decarbonise into the future. We are also aware that regardless of how quickly the world works together to decarbonise, there is an element of inevitable climate change, so we will need to adapt to the changing climate.

How we manage this

In FY23, we developed a high-level strategy to help prepare us for decarbonising our business at scale. Our approach has four key strategic themes:

Pillar 1 - measure and communicate
Establishing a baseline and capabilities to measure Scopes 1, 2, and 3 emissions and communicating our progress.

Pillar 2 - innovation for decarbonisation
Collaborating with like-minded partners to implement new technologies and learnings.

Pillar 3 - capability building
Developing and implementing roadmaps to decarbonise across our fleet and property portfolios.

Pillar 4 - orientation and tipping points
Presenting a future vision of logistics and building the business of the future.

The following key decarbonisation actions will apply to all Toll sites/locations globally:

By 2031, we will use 100% renewable energy across all our properties, utilising solar and/or power purchase agreements.

From 2025, all newly constructed facilities, including owned or leased, will have a green building rating applicable to that country by the World Green Building Council, such as Green Star or Leadership in Energy and Environment Design (LEED).

From 2030, all new Toll-owned buildings will be designed to be carbon neutral.

We will continue to offset 100% of our corporate travel-related emissions. Our offset projects include supporting clean, renewable energy in emerging economies and protecting ancient rainforests and the native wildlife that depend on them.

Climate risk *and* opportunity

Why this matters

Climate risk and opportunity significantly impact the environment and the economy. Climate risks can lead to physical and financial damages, supply chain disruption and weakened economic growth. Addressing climate risk can, however, lead to climate opportunities such as improved environmental outcomes, accelerated innovation and new avenues for economic growth. At Toll, we aim to build resilience by taking action to mitigate climate risk and capitalise on climate opportunities.

How we manage this

In FY21, we assessed our climate risks and opportunities, informed by the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations. We will update the disclosures annually in line with the recommendations.

Climate risk *and* opportunity

Governance

Our environment team works with our risk management team to identify and manage climate-related risks and opportunities. The Health, Safety and Environment (HSE) Committee and the Audit and Risk Committee govern our climate-related risks and opportunities at the Board level. See details of our sustainability governance structure on page 19.

Risk management

We performed a group-level qualitative climate risk scenario analysis in FY21. The analysis identified and assessed specific climate-related risks and opportunities across our value chain. We used three scenarios to stress-test the overall resilience of our business strategy across the short (2025), medium (2030) and long term (2050). Following TCFD guidance and industry-leading practice, these were underpinned by the physical scenarios of the Intergovernmental Panel on Climate Change (IPCC) and elements of the transition scenarios of the International Energy Agency (IEA).

Scenario	Details
High emissions scenario	• Consistent with IPCC Representative Concentration Pathway (RCP) 8.5, i.e. global emissions continue to rise to 2100
	• Average global temperature rise of 3.2°C - 5.4°C by 2100
	• Consistent with the TCFD required scenario for 'more extreme physical risks'
Moderate emissions scenario	• Consistent with IPCC RCP 4.5, i.e. global emissions continue to rise to 2040, plateau, and then decline
	• Average global temperature rise of 1.7°C - 3.2°C by 2100
	• Consistent with IEA's Stated Policies Scenario
	• Average global carbon price of AU$36/tCO2-e by 2030
Low emissions scenario	• Consistent with IPCC RCP 2.6, i.e. global emissions decline from the short-term, reaching net zero by 2070
	• Average global temperature rise of 0.9°C - 2.3°C by 2100
	• Consistent with the TCFD required '2°C or lower' scenario
	• Consistent with IEA's Sustainable Development Scenario
	• Average global carbon price of AU$104/tCO2-e by 2030

Climate risk *and* opportunity

The analysis included interviews with internal stakeholders, desktop research and climate modelling data related to the IPCC 5th Assessment Report. Teams across our value chain, including those in environmental management, risk management and customer-facing roles identified risks and opportunities. Likelihood and impact criteria from our enterprise risk management framework were used to define the prioritisation of these risks and opportunities.

Our next step is integrating specific climate-related risks and opportunities into our annual enterprise risk management process. In doing so, these risks need to be considered relative to other business risks and incorporated into our Enterprise Risk Register and risk management processes as appropriate. These will then guide our future strategic response options.

Strategy

Through conducting the analysis, we improved our understanding of our overall business risk profile. This understanding is key to strategy development and increasing our resilience in all regions where we operate, particularly in Asia where we continue growing our business presence.

Under the high emissions scenario, we identified only risks to the business through physical climate impacts. Under the low emissions scenario, both risks and opportunities were identified, particularly concerning technology and innovation. We will implement resilience measures to prepare the business for physical impacts while ensuring we are strategically placed to benefit from the identified opportunities.

The climate risk scenario analysis identified over 20 risks and opportunities that may impact the business under the three scenarios, with impact ratings ranging from low to critical. The ratings reflect inherent risk or opportunity, which we can mitigate or maximise through our strategic response.

Physical impacts are referred to as either chronic or acute. Chronic impacts are long-term shifts in climate patterns, for example, rising sea levels. Acute impacts are events-driven, such as flooding.

Climate risk *and* opportunity

Below, we have outlined the most significant impacts under the high and low emissions scenarios, together with our strategic response.

	Risk/Opportunity	TCFD risk type	Potential impact to business	Management response and strategy
High emissions scenario	**Risk:** Average temperature rise **Inherent impact rating:** Critical **Time horizon:** 2050	Physical: chronic	Increased operational and capital expenditure due to: • Decreased performance and thermal comfort for mobile and fixed assets • Asset, inventory and infrastructure damage, as well as increased resilience requirements • Increased heat stress for labour force • Higher insurance excess/premiums	The consideration of climate resilience is embedded in our procurement policies. We reduce Toll's exposure to climate-related risks by adopting the latest efficient and climate-resilient technologies. We reduce the impact of average temperature rise in our facilities through design principles, such as efficient heating and cooling.
	Risk: Increased frequency and severity of acute physical risks (e.g., bushfires, cyclones, flooding, heatwaves) **Inherent impact rating:** High **Time horizon:** 2050	Physical: chronic	**Decreased revenue, increased operational and capital expenditure, plus increased legal costs related to staff injury claims due to:** • Asset, inventory and infrastructure damage, as well as increased resilience requirements • Disruptions to operations and logistics networks • Decreased thermal comfort and performance for mobile and fixed assets and hence increased cooling demands and fuel consumption • Heightened staff health risk or mass stranding due to inaccessible roads and public transport or linehaul driver fatigue from rerouting • Interruptions to energy/power supply (e.g. grid electricity) • Reduction in value of land/facilities in areas rezoned as flood areas • Higher insurance excess/premiums	Toll's business continuity plans consider extreme climate events. Our suite of technological solutions enhances our resilience against acute physical climate risks. This includes delivery planning, route optimisation and fleet monitoring. Physical climate hazard impacts will be considered as part of our strategic planning and capital allocation. This includes planning for changing customer demands, pricing impacts and future technological needs because of the projected changes in physical climate conditions.
Low emissions scenario	**Risk:** Introduction of carbon pricing (e.g. emissions trading scheme, carbon tax, carbon import tax/tariffs) **Inherent impact rating:** Critical **Time horizon:** 2030 and 2050	Transition: Policy and legal	**Increased operational expenditure or reduced competitiveness** from carbon exposure, as well as upstream supply costs (if there are no alternatives).	We have reduced our potential carbon pricing exposure through technology and innovation that reduces the greenhouse gas emissions from our facilities and operations.
	Risk: Increased stakeholder expectations for climate mitigation efforts from Toll, including the provision of low carbon logistics solutions **Inherent impact rating:** Critical **Time horizon:** 2025, 2030, 2050	Transition: Reputation	**Decreased revenue and loss of access to capital** from reputational damage and market loss if Toll fails to meet stakeholder expectations. Other transportation service providers gain a competitive edge by establishing themselves as a low-carbon brand.	We regularly engage with our key stakeholders to understand their expectations on climate change. We regularly review our business strategy to identify and mitigate emerging risks. We will review climate change mitigation and resilience measures that ensure continued service delivery to our customers.

Table continues on next page.

Climate risk *and* opportunity

	Risk/Opportunity	TCFD risk type	Potential impact to business	Management response and strategy
Low emissions scenario	**Opportunity:** Increased uptake of lower-emission sources of energy (e.g. on-site solar generation across the warehouse and office network, use of electric vehicles and hydrogen fuel cell vehicles) **Inherent impact rating:** High **Time horizon:** 2025, 2030	**Transition: Energy source**	**Decreased operational expenditure:** After considering the business case for capital investments and payback periods, the adoption of low-emission energy sources will result in decreased energy costs and reduced exposure to carbon pricing. Failing to adopt low-emission technologies poses significant risks to the business in the future low-carbon economy.	We continue to procure low-carbon energy sources where we can, including alternative fuels. Through our partnership with Viva Energy and the Hydrogen Highways project, we are already taking the opportunity to be a first mover in our sector and develop hydrogen infrastructure.
	Opportunity: Adoption of resource efficiency technologies **Inherent impact rating:** Critical **Time horizon:** 2025, 2030, 2050	**Transition: Resource efficiency**	**Decreased operational expenditure:** From increased uptake of more energy-efficient buildings and equipment, use of more efficient modes of transport and reduced exposure to carbon pricing. Failing to adopt resource efficiency technologies could adversely impact Toll's competitive advantage in the future low-carbon economy.	A focus of our Equipment and Facilities Working Groups, we continue to improve the efficiency of our energy usage, both in our facilities and to power our vehicles.

Looking forward

Pressure on our industry to develop robust decarbonisation plans is intensifying. In FY22, we thoroughly reviewed how our business strategy should respond to these pressures, which led to our Board committing to achieving net zero emissions for Toll Group by 2050. Subsequently, we undertook essential strategy work to create a pathway for the business to decarbonise. We've also begun work on our fleet and property roadmaps, which will be finalised in FY24.

As a wholly owned subsidiary of JPH, we are working with our parent company on finalising targets and how we will contribute to them in the medium and long term.

Environmental management

Why this matters

At Toll, we understand the importance of operating safely for our people and the environments that we work within. We operate geographically across many countries and in various environmental ecosystems. Our business activities include transport and the handling and storing of dangerous goods, both onshore and offshore. Incidents involving hazardous chemicals can carry significant risks, which we must manage carefully to ensure the safety of our people, customers, communities and environment.

How we manage this

We have a suite of environmental policies that help us comply with local environmental regulations. We operate at industry standard, which may exceed local requirements in some jurisdictions. We had no significant environmental incidents or infringement notices in FY23.

We manage our mandatory global standard for all operations as part of our Health, Safety and Environment (HSE) management system. This includes implementing environmental standards, practices and procedures to identify and manage our material environmental risks. Some of our sites have ISO 14001 certification due to the operational requirements at those sites, including the addition of our South Korea site in FY23.

To further employee capabilities and awareness, we began rolling out environmental risk management training to relevant Australian workforce personnel, with a focus on spill management. We will expand this training globally in the coming years.

Environmental management

Looking forward

We will continue strengthening our environmental management portfolio and ensuring compliance by building out our environmental management system in FY24. We will also pilot programs that will give us better insights into our impact on nature and a deeper understanding of the Taskforce on Nature-related Financial Disclosures (TNFD).

Taskforce on Nature-related Financial Disclosures

The Taskforce on Nature-related Financial Disclosures (TNFD) is a global initiative that aims to establish a framework for companies and financial institutions to report on their impacts and dependencies on nature. Launched in June 2021, the TNFD is modeled after the Taskforce on Climate-related Financial Disclosures (TCFD), which focuses on the financial risks and opportunities associated with climate change.

The TNFD is being developed by a group of international organisations, including the Global Canopy, the United Nations Development Programme (UNDP), the United Nations Environment Programme Finance Initiative (UNEPFI) and the World Wildlife Fund (WWF), among others. The TNFD aims to help businesses and financial institutions better understand the impacts and dependencies of their activities on nature and to enable investors, lenders and insurers to integrate nature-related risks and opportunities into their decision-making processes.

The TNFD is currently in its development phase and we expect the final framework to be released in 2023. Toll participated in a pilot study and provided feedback on the learnings and existing barriers to adopting and implementing the TNFD Framework in the Australian context. We acknowledge the Department of Climate Change, Energy, the Environment and Water for sponsoring the pilot study, which was facilitated by EY (Ernst & Young Global Limited). The pilot study included subject matter specialists, academics, NGOs and First Nations representatives who supported pilot organisations and focused on a readiness to collect data and report it to the TNFD.

Resource *and* waste management

Why this matters

Responsible resource and waste management is important to our customers, business and environment. Transitioning to a circular economy is critical, and as we play an essential part in that value chain, we seek to provide workable solutions.

How we manage this

Our largest source of waste is generated through the packaging practices and methods used upstream in our value chain. Our second largest source of waste is the use, servicing and maintenance of our plants and equipment. This waste is primarily consumables associated with transport, such as tyres, waste fuels and oils. In Australia, a third-party facility manager manages all our waste.

We have a facilities working group that works to identify opportunities for resource efficiency and reuse. In FY22, we commenced a pilot with a key customer at one of our NSW sites, increasing diversions to recycling by over 80%.

In FY23, we continued with a baseline study across pilot sites in Prestons, Sydney, NSW.

Pilot sites were given a roadmap for achieving these goals and three targets were set (see below).

Phase 1 commenced in 2023 and focused on:

• Improving recycling provisions by implementing best practice provisions, policies and procedures.

• Improving recycling practices through engagement and education for all employees, contractors and visitors.

Toll waste targets across pilot sites

Short-term (Phase 1):

Establish a new weight-based recycling rate baseline and improve recycling and waste diversion by 10% by end of 2023 through installation of soft plastics and co-mingled recycling across all warehouses.

Medium-term (Phase 2):

Improve recycling and diversion rate (through further recycling and material avoidance) to 90% by 2025.

Long-term (Phase 3):

Strive towards a 100% diversion rate* by 2030 and continue to phase out unnecessary material waste generation.

*For all materials directly controlled by Toll group (for example: not including damaged/returned product waste)

Diversity
and
inclusion
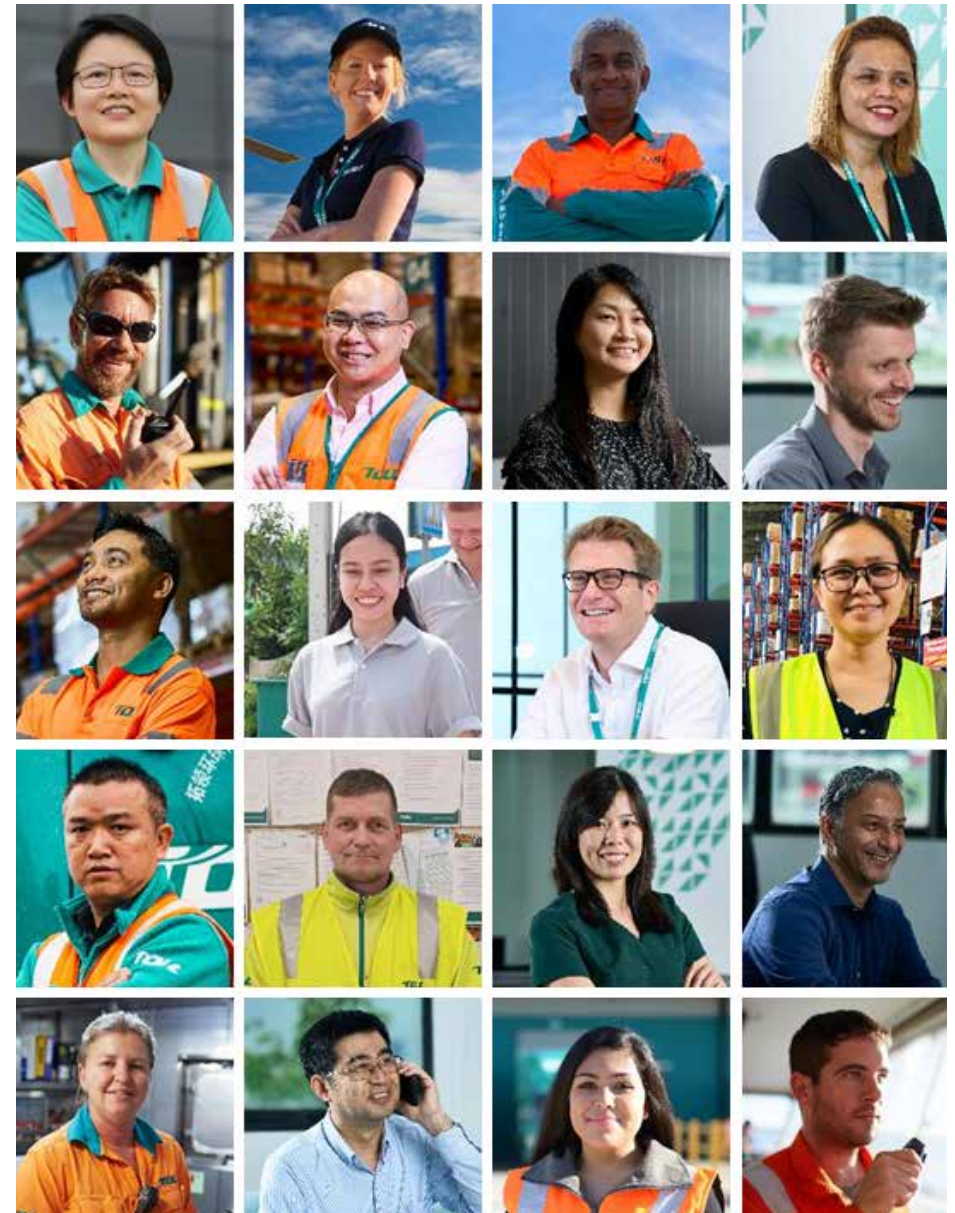
Our sustainability framework

At Toll, we have developed a framework for sustainability to help direct our attention and focus to the core areas below.

Diversity *and* inclusion

Diversity and inclusion are central to our culture and how we engage with our people, customers and communities. Our new Diversity, Inclusion and Belonging Strategy outlines our approach to building a workplace and culture where our employees feel represented, included, and can grow.

- Commitment from our leaders
- Inclusive leadership capability
- Establishing equitable systems
- Meaningful measurements
- Inclusion movement

Diversity, inclusion, *and* belonging

Why this matters

At Toll, we care for our people and community through our ongoing focus on safety, wellbeing and sustainability, as well as diversity, inclusion and belonging.

We understand diversity (in all its forms) and inclusion is central to our culture and how we engage and work with our people, customers and communities.

How we manage this

Our global workforce is diverse and inclusive in nature and provides a competitive advantage. We foster strong connections across colleagues, customers and communities in our 1,200 locations.

Our **Diversity, Inclusion and Belonging Strategy** helps us build a diverse and equitable workplace and create a culture where everyone has a fair opportunity to participate and grow.

Our purpose

Fostering a diverse and inclusive culture will enable us to generate the energy, courage and innovative thinking to create leading solutions which move the businesses that move the world.

Our vision

To create a workplace that reflects the diversity of the customers and communities we serve. We want to create an environment where our people are encouraged to bring their authentic selves to work, actualise their full potential and consciously strive to create value for our customers.
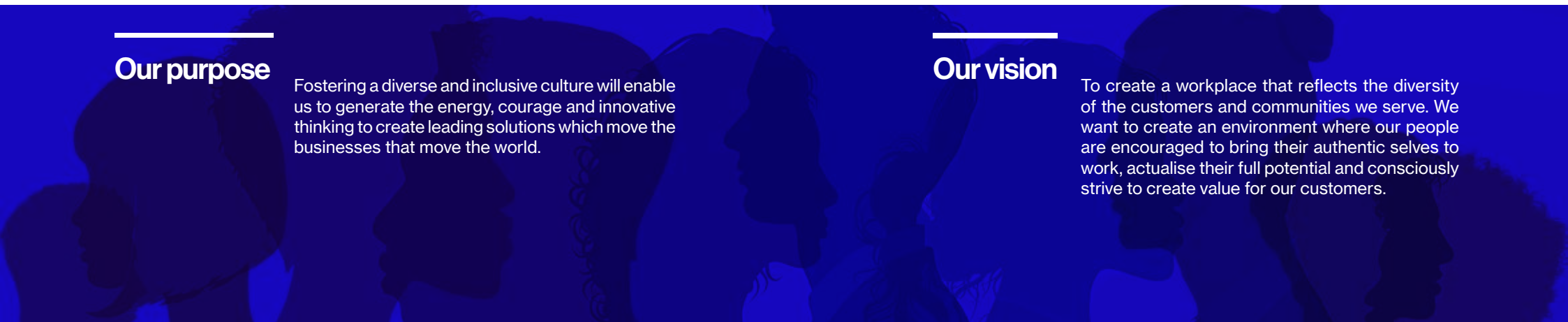
Diversity, inclusion *and* belonging

Our strategy focuses on five priority areas

Commitment from our leaders

Actively support and create opportunities to diversify Toll's talent and leadership to reflect the diversity of the customers and communities we serve.

Inclusive leadership capability

Build skilled leaders and team members who lead with inclusion and wellbeing so that we can all grow and excel.

Establishing equitable systems

Review our practices and policies to ensure an inclusive, unbiased and equitable organisation for all team members to thrive and belong.

Meaningful measurement

Better understand our progress in creating a diverse and inclusive culture by measuring success against key diversity, inclusion and belonging trends.

Inclusion movement

Encourage our people to participate in fostering a diverse and inclusive workplace aligned with our organisational objectives. We will also collectively highlight the positive impact on business outcomes by sharing success stories and best practice experiences across the business.

Diversity, inclusion *and* belonging

Our Diversity and Equal Opportunity Policy
commits the business to an inclusive workforce that is fair, equitable and respectful, free from discrimination, bullying and harassment. We have representatives from across the business to govern our approach to diversity, inclusion and belonging (DIB).

A DIB steering committee
has been established and has oversight over the company's DIB strategy. It is co-chaired by the Managing Director and Chief Legal Officer to set the strategy and guide our approach, with members rotating every 24 months.

Global DIB Taskforces
have also been established and are made up of key business leaders nominated from all levels. The teams focus on operationalising our DIB strategy and driving change at a local level, with members rotating every 12 months.

In FY23

We launched the Diversity and Inclusion Imperative masterclass training at the Executive level. We will continue to deploy diversity and inclusion leadership curriculum globally over the next two years.

We piloted and successfully launched our first female driver traineeship program, which we will continue to build and scale.

We conducted an annual gender pay audit to understand pay equity gaps, review pay in terms of equity and inform future pay review cycles and decisions.

Looking forward

Our DIB journey will be employee-led, so we are helping employees form interest-based networks or Business Resource Groups (BRGs). These groups will be formed and set up in early FY24 and will contribute to fostering inclusion and promoting diversity.

We will deploy inclusive leadership capability programs at various levels of the organisation to create alignment on the importance of diversity and inclusion at Toll and build skills to lead inclusively over two years.

We will launch a talent acquisition review process to identify and mitigate potential bias and embed inclusive recruitment practices to help attract diverse talent pools.

We are a founding sponsor and will continue to be a steering committee member of the Wayfinder program, which works to increase gender diversity in the supply chain industry.

Talent attraction *and* retention

Why this matters

Attracting the right talent into the right roles is critical in enabling us to continue delivering the best service to our customers.

How we manage this

Our values-led approach and strong safety culture help attract talented people who align with our vision.

Talent attraction *and* retention

We have measures of success that we use to monitor our performance, such as time-to-fill, customer satisfaction and source of hire. In FY23, we achieved our target for time-to-fill and are delighted to report a high customer satisfaction score.

An FY22 objective was to reduce our reliance on external recruiting agencies and instead use alternative in-house methods through our global talent acquisition model. We have successfully achieved this with our top three hiring sources, including our careers website, regional job boards and employee referrals. Only 3.5% of our hires were sourced from external recruitment agencies, representing a 4% reduction.

We have continued to invest in our careers website to optimise the candidate experience. Our new site maximises our Application Tracking System (ATS) integration to create an engaging job search page with customisable filters. Furthermore, candidates can manage their interactions with us via a dashboard that displays the jobs they have applied for. It allows them to manage their job alerts and apply for new opportunities based on previous searches.

Our sustained focus on talent awareness and attraction activities has led to an increase in LinkedIn followers by 69,000 in FY23, representing an average of 5,000-6,000 new followers per month. Our content-focused approach has also generated more impressions (up 11%), engagement (up 7%)

and reach (up 13%). This has resulted in a 33.5% influenced hire rate and an increase in our direct hire rate (up 17%), helping to reduce our cost per hire.

We have also successfully delivered focused recruitment marketing campaigns leveraging LinkedIn, Facebook, Google Ads, Indeed, video, SmartRecruiters and Employer Fencing technologies to deliver targeted recruitment marketing messages that have helped increase application quality and promote careers at Toll.

Looking forward

We will continue to focus on advancing our internal technology to support optimal hiring experiences and drive better business outcomes.

Our initiatives include the following:

- Implementing Workday Recruiter as our chosen ATS to enable a seamless hiring, employee and candidate experience via data integration between our ATS and Human Resources Information System (HRIS).

- Sharing employee stories and experiences to convey the employer brand through a dynamic embedded video widget on our careers website.

- Rolling out our new brand direction, 'Curiosity in Motion', to help communicate our refined employee value proposition and position our offer to the market in line with our renewed focus.

- Empowering our employees to become visible talent advocates for Toll through a structured program that supports them in learning new skills in content creation to promote how we work via their networks.

- Building long-term talent pipelines of critical talent through our talent communities and dedicated sourcing specialists.

Learning *and* development

Why this matters

Organisations today are experiencing shifting skills needs, a competitive labor market, high turnover and significant changes in employee expectations regarding their career growth. We consider learning and development (L&D) as a competitive differentiator to attract, retain and grow key talent, as well as close critical skills gaps.

How we manage this

At Toll, we have a comprehensive enterprise-wide learning curriculum that enables the development of critical capabilities the organisation needs to drive business results.

Double your skills

Learn. Together. **TOLL**

In FY23, we added new and exciting programs to our learning curriculum for our global employees.

Management and leadership development

We added a new 'Leading at the Speed of Trust' course to the curriculum. This course helps leaders build and reinforce a high trust, psychologically safe working environment, which improves employee engagement, growth, collaboration and execution.

Professional development

We added the programs below to the list of offerings available to all professional employees and front-line leaders.

Mastering Virtual Presentations
Designed to equip learners with the essential skills to systematically structure their message, make their content interesting, as well as improve verbal and non-verbal virtual presentation skills.

PRINCE2® Project Management Foundation and Practitioners Certification
Provides learners with a practical understanding of the PRINCE2® project management method and direct application to real projects.

LEAN Awareness and LEAN Thinking and Concepts
Provides an overview of this popular process improvement framework and tools that can be applied in our daily work through case studies and real-life examples.

Developing future capabilities

These courses formed part of our investment in building talent pipelines at different management levels.

Harvard Business School Online course on Disruptive Strategy
Offered to 100 Global Leadership Team and Toll Leadership Team members.

Experienced Leadership Development Program (ELDP)
A five-day residential course for our next level of leaders developed in partnership with the Melbourne Business School.

Learning and development – Bi-monthly Learning Bulletin

We continued to offer most of our training virtually, making learning accessible to a broad, diverse and global audience. The Skillsoft-Percipio platform remains open for self-paced learning, with thousands of updated learning assets available 24/7. We have also begun transitioning to a new learning management system which will be fully operational in FY24.

Labour relations

Why this matters

We work in industries with complex industrial arrangements and large union memberships, particularly in Australia. Maintaining positive relationships with unions and complying with industrial regulations is essential to maintaining employee satisfaction and engagement, while also mitigating risks relating to compliance and employee disputes.

How we manage this

In an environment shaped by supply chain disruptions, increased union activism, as well as an increased focus on wage and conditions compliance, we will continue our commitment to a fair and compliant work environment. We will also continue to engage in carefully planned and collaborative negotiations with employees and staff where applicable.

Sustainable supply chain management
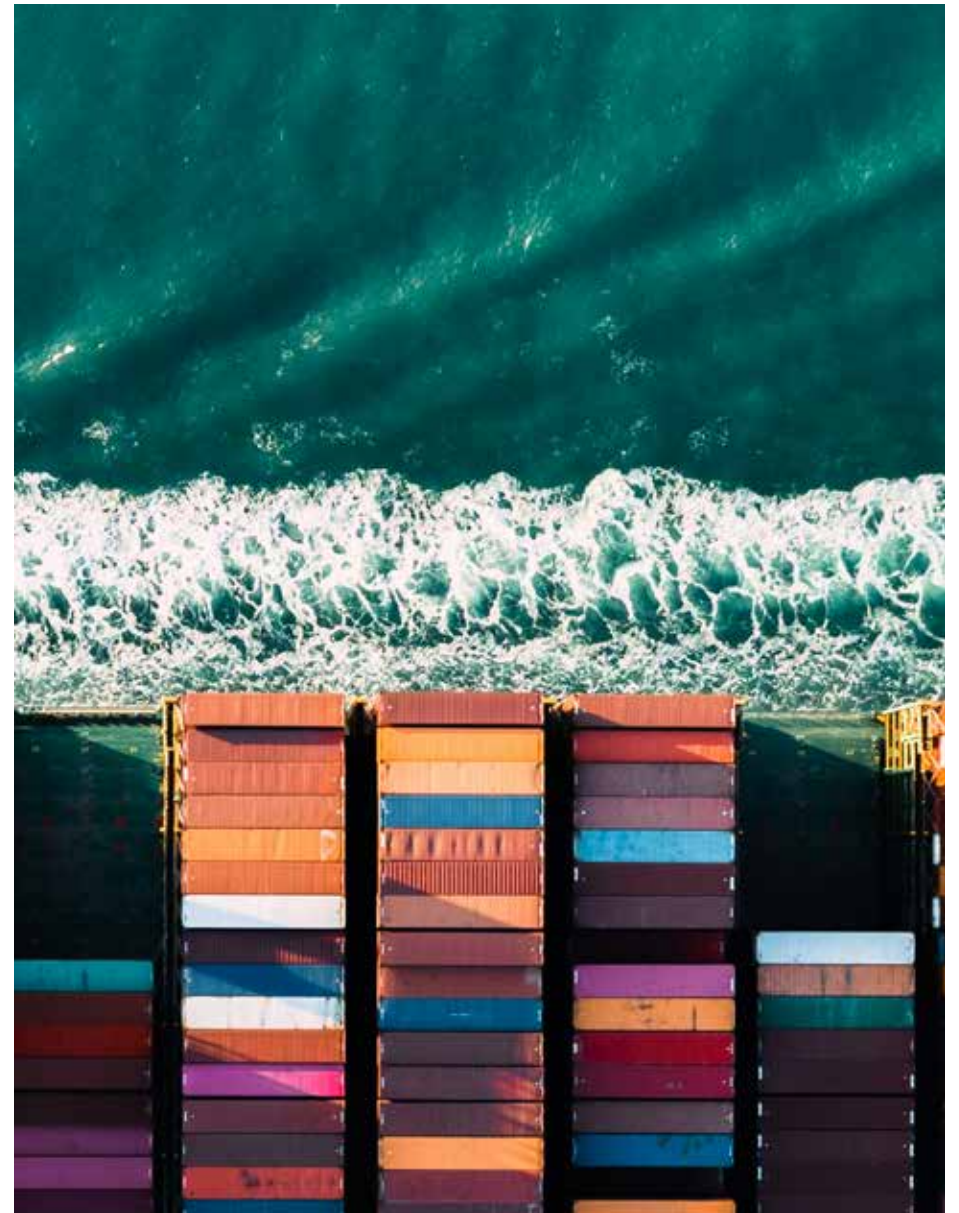
Our
sustainability framework

At Toll, we have developed a framework for sustainability to help direct our attention and focus to the core areas below.

Sustainable supply chain management

As a significant purchaser of products and services, we understand we can influence the sustainability practices of our suppliers. In alignment with ISO 20400 guidelines, we are building a framework to help deliver desired practices across our supplier network, such as reducing carbon emissions and upholding human rights.

- Align our procurement with ISO 20400 Sustainable Procurement Standard

- Standardise processes for procurement and supplier management

- Focus on Human Rights and carbon/climate change with our supplier base

Responsible *and* sustainable supply chains

Why this matters

At Toll, we recognise we play a critical role in our customers' supply chains. For this reason, we understand the need to demonstrate greater environmental stewardship and social responsibility. With the increasing focus on sustainability worldwide, we must go beyond meeting stakeholder expectations and provide more sustainable solutions for our customers.

How we manage this

We work with an extensive network of suppliers, subcontractors and agents. Our procurement includes products and services used in our transport and warehousing activities, such as trucks and IT equipment. We also engage agents and subcontractors for professional services like HR, IT and safety.

The documents which govern our procurement practices include, but are not limited to:

Toll Group Supplier Code of Practice.

Toll Group Standard Conditions of Contract for Procurement of Goods and Services.

Toll Modern Slavery and Human Trafficking Statement.

Toll Group Anti-Human Trafficking and Modern Slavery Policy.
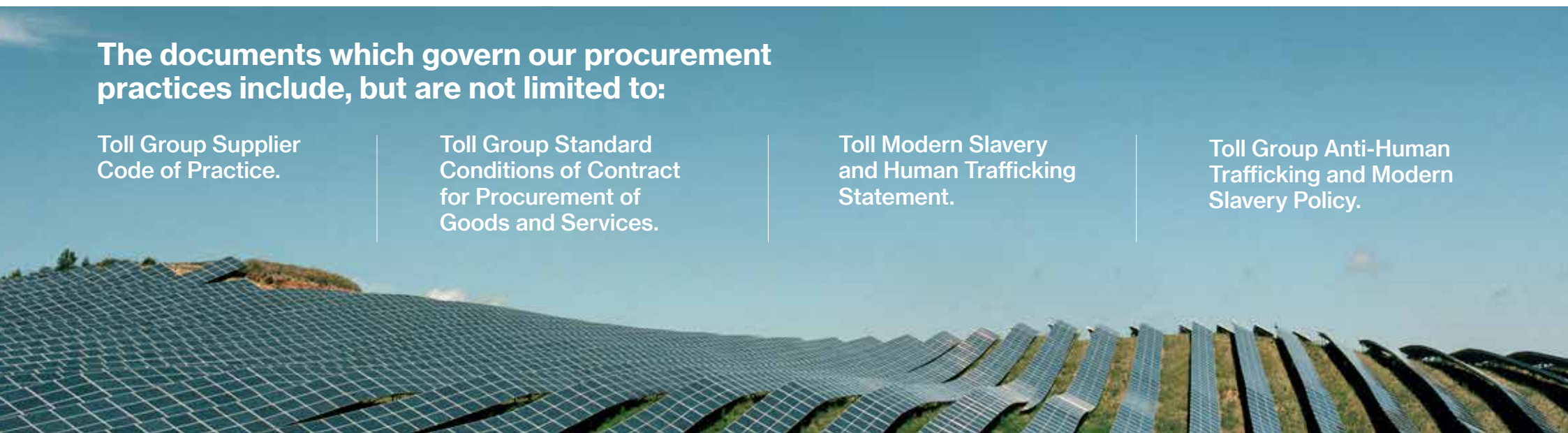
Responsible *and* sustainable supply chains

Supply chain challenges during and after the COVID-19 pandemic forced many businesses, including Toll, to undergo a rapid transformation. We have taken this opportunity to work towards building a company where sustainability is an inextricable part of how we do business.

Our focus on sustainability has created opportunities for the procurement function to look beyond up-front costs, review the impact of our sourcing decisions and develop strategies to facilitate more environmentally and socially sustainable outcomes.

In FY23, we collaborated with several strategic partners and vendors to pilot sustainability initiatives across the indirect and direct procurement categories, such as electric material handling equipment, hybrid vehicles for our fleet and solar panels on new sites.

Looking forward

In FY24, we will continue working closely with

our partners and vendors to create more sustainable options for our fleet, introduce a broader range of office consumables and update travel guidelines to promote and drive travel sustainability initiatives.

We have recently completed our Indigenous Procurement Strategy to promote more engagement, increase addressable spends and form sustainable relationships with First Nations vendors.

We are developing a procurement sustainability policy framework to ensure that procurement activities comply with legislative requirements and have positive social, environmental and economic impacts on the community.

Community impact *and* engagement

Our sustainability framework

At Toll, we have developed a framework for sustainability to help direct our attention and focus to the core areas below.

Community impact *and* engagement

As part of our responsibility to the communities in which we operate, we strive to build strong relationships, foster meaningful collaboration and make a difference by contributing to important local causes.

- Collaborate with stakeholders

- Establish a baseline of community initiatives

- Develop a community impact and engagement strategy

- Establish metrics, targets and reporting mechanisms

Community impact *and* engagement

Why this matters

We have a responsibility to the communities in which we operate. We aim to build strong relationships with our communities, foster meaningful collaboration and make a difference where we can most effectively contribute to critical local causes. Our community engagement is vital for continued support from local stakeholders and maintaining our social licence to operate.

How we manage this

We engage at the local level and actively participate in our local communities.

Our community engagement activities focus on four areas where we believe we can add the most value and have the most significant impact.

Our community strategic pillars

Disaster relief

We support projects that aim to alleviate the impact of natural disasters and increase access to essential goods for the affected communities.

Promoting safety and wellbeing

We support projects that enhance the safety and wellbeing of workers in the transport industry and contribute to a safer industry for the broader benefit of local communities.

Protecting the environment

We support projects that protect the health and wellbeing of the environment.

Education and training

We support projects that promote education and career opportunities aligned with our industry, especially programs that promote diversity and also support women and First Nations communities.

Community impact
and **engagement**

Case study:
Disaster relief

Toll ambulance helicopters support flood-affected communities

The Toll Ambulance Rescue Helicopter Service has regularly supported communities affected by floods. In November 2022, the service provided critical crisis assistance during the Eugowra flood disaster. Five of the six-strong helicopter fleet across four bases provided immediate and critical support to the community. Over 12 hours, the crew conducted 23 winches and transported 35 people to safety, including a six-day-old baby.

Community impact *and* engagement

Case study:
Protecting the environment

Offsetting travel emissions

We have committed to offsetting 100% of our corporate travel-related emissions through carbon offsets. We do this with the support of our contracted partners American Express Global Business Travel and Tasman Environmental Markets. Our offset projects include supporting clean, renewable energy in emerging economies and protecting ancient rainforests and the native wildlife that depend on them.

Period	t/CO2-e
Apr – Jun 22	584
Jul – Sep 22	657
Oct – Dec 22	617
Jan – Mar 23	897
FY23 Total	**2,755**

Community impact *and* engagement

Case study:
Safety and wellbeing education and training

School programs to promote safer journeys

We partnered with the AIP Foundation in Thailand on the Hauling Safety school program. The program promotes safer journeys to and from school to help protect young children from preventable road crash injuries and fatalities.

As part of the program, we engaged with over 500 students, teachers and local authorities in various activities, including:

- Setting up three new crosswalks for a school in a high-risk traffic environment.

- Supporting the development of road safety teaching material for five primary schools in low-income neighbourhoods.

- Distributed safety equipment to students and teachers.

- Promoting educational messages via billboards in high-traffic areas near schools, reaching an estimated 56,780 children and adults in the community.

Looking forward

In FY24, we will continue to find new ways to engage and deepen our relationship with local communities, contributing towards building a safer and better environment and society.

First Nations engagement

Why this matters

Our business has a significant presence across urban, regional and remote Australia. As such, we touch the lives of many groups of First Nations Australians. We have a responsibility to support Australia's journey towards reconciliation with First Nations Australians and to recognise their rich cultural histories, diversity and contributions. Our communities and customers expect us to encourage First Nations participation and engagement.

First Nations engagement

How we manage this

We envision an Australia where everyone is understood and celebrated. Our Reconciliation Action Plan (RAP) is our public commitment to embracing First Nations peoples, cultures and histories. The RAP outlines our targets and timelines to achieve them and designates responsibility to personnel across the business.

Our RAP Committee includes representatives from across the business, including First Nations employees. Our new RAP for 2023-2025 will be released in FY24, which will renew our commitment to reconciliation.

We collect data on First Nations Australians' workforce representation in our HR system by voluntary disclosure, with quarterly reporting on employment statistics per division and role. In FY23, 1.55% of our workforce identified as Indigenous^.

We aim to increase First Nations representation across the business by continuing to build a culture of acceptance that will encourage First Nations people to apply for roles and allow our existing First Nations employees to feel safe and supported to disclose their identity.

^ In FY22 we began including casual employees in our Indigenous employment figures.

Toll's procurement spend with Indigenous-owned suppliers (in $M)		
	FY22	FY23
Tier 1 spend	$8.7M	$7.1M
Tier 2 spend	$0.0M	$0
Total spend	**$8.7M**	**$7.1M**

Engagement with Maori communities

In New Zealand, we partner with KiwiRail to operate Te Kupenga Mahi. This network brings Maori culture into the workplace and supports cadetships and employment opportunities at Toll for Maori communities.

Community impact *and* engagement

Promoting awareness	We promote reconciliation by observing NAIDOC and National Reconciliation Week. We also provide an internal SharePoint site to report on Indigenous engagement activities across the business. **We have also engaged several First Nations peoples and businesses to help us build awareness, including:** • Wayarang, an Indigenous-owned learning and design agency – developed a cultural awareness learning module that will be delivered to all Australian employees during FY23. • Ngarluma, Kariyarra, Nyulnyul and Yawuru artist Bobbi Lockyer - created artwork for display across several of our fleets in Western Australia. • Ngiyampaa artist Sarah Richards – created our new RAP artwork and an Indigenous set of Toll Values for display in our corporate head office in Melbourne.
Economic empowerment	As a member of Supply Nation, we help develop procurement policies that direct spending to the Indigenous business sector. We have also partnered with Indigenous Defence and Infrastructure Consortium (iDiC) to direct more of our infrastructure procurement spend towards Indigenous businesses.
Working in partnership	We maintain an Indigenous Employee Network that gives Toll management and Indigenous employees the opportunity to come together and enhance their workplace experience.

Looking forward

In FY24, we will release a suite of documents outlining how we will drive increased Indigenous engagement and support, which will include the following:

• A new Indigenous Recruitment and Engagement Strategy that will help build on existing talent pathways, increase our number of First Nations employees, ensure we provide a culturally safe workplace, and provide career growth opportunities.

• A new Indigenous Procurement Policy designed to help increase our Indigenous spend and improve diversity across our vendors.

Appendix
(Data tables)

Data tables

Total number of employees by employment contract (temporary and permanent), by gender

Gender	Permanent	Temporary	Total
Female	3,200	405	3,605
Male	6,218	482	6,700
Not specified	2		2
Not recorded	92	10	102
Total	9,512	897	10,409

Total number of employees by employment contract (full-time and part-time), by gender

Gender	Full-time	Part-time	Total
Female	3,424	181	3,605
Male	6,642	58	6,700
Not specified	2		2
Not recorded	102		102
Total	10,170	239	10,409

Data tables

Percentage of employees per employee category, by gender

Management level	Female	Male	Not specified	Not recorded
Executive	12.20%	87.80%	0.00%	0.00%
General Manager	30.00%	70.00%	0.00%	0.00%
Senior Manager	26.39%	73.23%	0.00%	0.38%
Manager / Advanced	27.41%	72.14%	0.00%	0.45%
Manager / Specialist	38.78%	61.00%	0.11%	0.11%
Supervisor	46.82%	52.69%	0.00%	0.49%
Entry Management and Professional	62.65%	36.95%	0.00%	0.40%
Team Leader	38.76%	61.24%	0.00%	0.00%
Senior Operations	57.56%	42.07%	0.00%	0.37%
Skilled Operations	63.24%	36.30%	0.07%	0.39%
Intermediate Operations	25.07%	69.84%	0.00%	5.09%
Entry Operations	14.75%	84.07%	0.00%	1.18%
Apprentice	20.00%	66.67%	0.00%	13.33%
Graduate	31.58%	68.42%	0.00%	0.00%
Japan Post Assignee	31.03%	68.97%	0.00%	0.00%
Total	**34.63%**	**64.37%**	**0.02%**	**0.98%**

Data tables

Percentage of employees per employee category, by age

Management level	Under 30	30-50	Above 50	Not recorded
Executive	0.00%	21.95%	78.05%	0.00%
General Manager	0.00%	44.44%	54.44%	1.12%
Senior Manager	0.74%	60.59%	37.55%	1.12%
Manager / Advanced	2.26%	70.03%	25.60%	2.11%
Manager / Specialist	6.33%	71.00%	21.33%	1.34%
Supervisor	12.81%	66.37%	19.16%	1.66%
Entry Management and Professional	25.70%	57.03%	16.47%	0.80%
Team Leader	11.96%	66.80%	21.24%	0.00%
Senior Operations	23.17%	58.82%	15.74%	2.27%
Skilled Operations	42.03%	41.24%	14.16%	2.57%
Intermediate Operations	19.57%	44.24%	24.40%	11.79%
Entry Operations	10.54%	47.62%	40.66%	1.18%
Apprentice	73.33%	13.33%	0.00%	13.34%
Graduate	100.00%	0.00%	0.00%	0.00%
Japan Post Assignee	20.69%	55.17%	24.14%	0.00%
Total	**16.40%**	**53.80%**	**27.51%**	**2.29%**

Data tables

Management level	Average hours of training undertaken by Toll employees during the reporting period	Percentage of employees who have participated in the performance review process
By gender		
Female	7.75	97%
Male	3.97	97%
By management level		
Executive	6.9	100%
Management & Professional	6.45	96%
Operational	4.75	99%
Apprentice	5.99	N/A
Graduate	9.11	79%

Health *and* safety

Note: all rates have been calculated based on 1,000,000 hours worked.

Indicator	FY23 Total	Employees	Contractors
Fatalities	0	0	0
Number of high-consequence work-related injuries (severity rating of moderate and above)	86	77 Employees and temp staff	9 Contractor/ subcontractor
Rate of high-consequence work-related injuries (Lost Time Injury Frequency Rate, LTIFR)	2.12	2.48	0.95
Number of recordable work-related injuries (all lost time injuries and medically treated injuries)	238	217	21
Rate of recordable work-related injuries (total recordable injury frequency rate, TRIFR)	5.88	7.00	2.21
Main types of work-related injury	Muscular stress, slips/trips, hit by moving objects, hitting objects with part of body, repetitive movement		
Number of hours worked	40,488,148	30,995,623	9,492,525

Greenhouse gas emissions

FY23 energy consumption and Scopes 1 and 2 greenhouse gas emissions (tCO2-e)

	FY22 energy consumption (GJ)	FY22 emissions (tCO2-e)	FY23 energy consumption (GJ)	FY23 emissions (tCO2-e)	FY23 energy consumption (GJ)	FY23 emissions (tCO2-e)
	Australia only	Australia only	Australia only	Australia only	Global	Global
Electricity	87,604	20,540	97,174	21,808	179,877	33,117
Diesel/gas oil	2,698,650	184,107	2,681,874	188,831	2,880,163	203,764
Motor gasoline	2,080	125	2,031	137	8,233	591
Aviation kerosene (Avtur/Jet A1)	86,001*	5,829	96,848	6,553	96,848	6,553
Heavy fuel oil (used in ships)	250,330	6,532	32,574	2,416	32,574	2,416
Other #	717	37	-	-	89,516	3,887
Total energy consumption	**3,125,382***		**2,910,501**		**3,287,211**	
Total Scope 1 emissions		196,630		197,937		217,211
Total Scope 2 emissions		20,540		21,808		33,117

*Restated figure from FY22 Sustainability Report.

Greenhouse gas emissions

Scope 3 greenhouse gas emissions (tCO2-e) – top contributors

Category	FY22 emissions (tCO2-e)	FY23 emissions (tCO2-e)	FY23 emissions (tCO2-e)
	Australia only	Australia only	Global
Capital goods	3,956	1,718	1,865
Fuel and energy-related activities	28,502	28,808	32,621
Business travel (includes Australian hire cards and global lights)	784	2,282	4,191
Employee commuting	3,469	2,060	3,928
Downstream transportation and distribution	299,595*	313,157	1,191,417
Purchased goods and service	514	289	309
Total Scope 3 emissions	**336,820***	**348,314**	**1,234,331**

*Restated figure from FY22 Sustainability Report.

Appendix - GRI index

Indicator	Description	Page reference
GRI 2 general disclosure		
The organisation and its reporting practices		
2-1	Organisational details (including legal name, ownership, as well as locations of headquarters and operations)	Overview of business, p. 7
2-2	Entities included in the organisation's sustainability reporting	Overview of business, p. 7
2-3*	Reporting period, frequency and contact point	About this report, p. 2
Activities and workers		
2-6*	Activities, value chain and other business relationships	Overview of business, p. 7
2-7*	Employees	Data tables, p. 79
Governance		
2-9	Governance structure and composition	Governance structure, p. 18
2-11	Chair of the highest governance body	Governance structure, p. 18
2-14	Role of the highest governance body in sustainability reporting	Governance structure, p. 18
2-15*	Conflicts of interest	Anti-bribery and corruption, p. 24
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Statement from the Managing Director, p. 5
2-23	Policy commitments	Throughout report
2-24	Embedding policy commitments	Throughout report
2-25*	Processes to remediate negative impacts	Anti-bribery and corruption, p. 24
2-26	Mechanisms for seeking advice and raising concerns	Anti-bribery and corruption, p. 24
2-27*	Compliance with laws and regulations	Throughout report
2-28	Membership associations	Membership of associations, p. 9
Stakeholder engagement		
2-29	Approach to stakeholder engagement	Our stakeholders, p. 20

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards. *Asterisk indicates disclosure is partially met.

Appendix - GRI index

Indicator	Description	Page reference
GRI 3 material topic disclosure		
Material topics		
3-1	Process to determine material topics	Our material topics and approach, p. 14
3-2	List of material topics	Our key material issues, p.17
3-3	Management of material topics	Throughout report
GRI 200 economic disclosure		
Economic performance		
201-1*	Direct economic value generated and distributed	Financial performance, p. 10
201-2*	Financial implications and other risks and opportunities due to climate change	Climate risk and opportunity, p. 45
Indirect economic impacts		
203-1*	Infrastructure investments and services supported	Community impact and engagement, p. 69
Anti-corruption		
205-1	Operations assessed for risks related to corruption	Anti-bribery and corruption, p. 24
205-2	Communication and training about anti-corruption policies and procedures	Anti-bribery and corruption, p. 24
Tax		
207-1*	Approach to tax	Our approach to taxation, p. 10
207-2*	Tax governance, control and risk management	Our approach to taxation, p. 10
Emissions		
GRI 300 environmental disclosure		
Energy		
302-1*	Energy consumption within the organisation	Data table, p. 84
305-1*	Direct (Scope 1) GHG emissions	Data table, p. 84
305-2*	Energy indirect (Scope 2) GHG emissions	Data table, p. 84
305-3*	Other indirect (Scope 3) GHG emissions	Data table, p. 85

Appendix - GRI index

Indicator	Description	Page reference
Waste		
306-1*	Waste generation and significant waste-related impacts	Resource and waste management, p. 52
306-2*	Management of significant waste-related impacts	Resource and waste management, p. 53
Environmental compliance		
307-1	Non-compliance with environmental laws and regulations	Environmental management, p. 50
GRI 400 social disclosure		
Occupational health and safety		
403-1	Occupational health and safety management system	Employee health, safety and wellbeing, p. 34
403-2	Hazard identification, risk assessment and incident investigation	Employee health, safety and wellbeing, p. 34
403-3	Occupational health services	Employee health, safety and wellbeing, p. 34
403-4	Worker participation, consultation and communication on occupational health and safety	Employee health, safety and wellbeing, p. 34
403-5	Worker training on occupational health and safety	Employee health, safety and wellbeing, p. 34
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee health, safety and wellbeing, p. 34
403-8	Workers covered by an occupational health and safety management system	Employee health, safety and wellbeing, p. 34
403-9	Work-related injuries	Data tables, p. 83
Training and education		
404-1	Average hours of training per year per employee	Data table, p. 82
404-2	Programmes for upgrading employee skills and transition assistance programmes	Learning and development, p. 62
404-3	Percentage of employees receiving regular performance and career development reviews	Data tables, p. 82
Diversity and equal opportunity		
405-1	Diversity of governance bodies and employees	Data tables, p. 80
Local communities		
413-1*	Operations with local community engagement, impact assessments and development programmes	Community impact and engagement, p. 69
413-2*	Operations with significant actual and potential negative impacts on local communities	Community health and safety, p. 34
Socioeconomic compliance		
419-1*	Non-compliance with laws and regulations in the social and economic environment	Advocacy, policy and government relations, p. 30