



2022

Sustainability Progress Report

Establishing a sustainable environmental and socially supporting ecosystem for technology products and services

Comsol, Sustainably Connected
Technology | Environment | Community



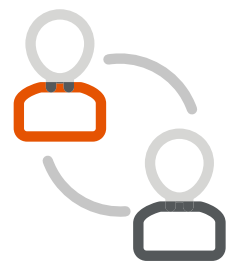
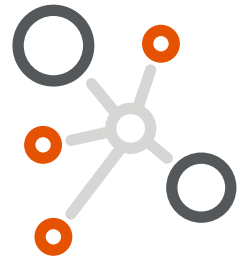
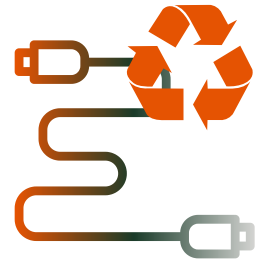
SUSTAINABLY CONNECTED

Our business has been operating since 1991 and has grown to be a significant stakeholder in the electronics market within Australia. We are in an advantageous position in the electronic supply chain to make a significant contribution to environmental, social and business outcomes. Our work spans from product design, in international locations, to collaborations with domestic retail and business to business partners, as national distributors of the small electronic products we import.






This breadth of scope has presented a unique opportunity. One that transitions us from solely being importers, manufacturers and distributors of IT, AV and mobile phone accessories to a team focused on designing for sustainability from operations to packaging and across our entire product range, that includes a wide range of cables, adaptors, chargers and power banks.

An ecosystem wide approach because we all need to be sustainably connected.





5 PILLARS OF SUSTAINABILITY

-  Sustainable Supply Chains
-  Impact
-  Education
-  Partnerships
-  ESG (Environment, Social and Governance)

We developed our Sustainability Pillars as overarching framework topics. They are **immediate focus areas that provide tangible goals, with cross-cutting themes between pillars** in many of our day-to-day activities.

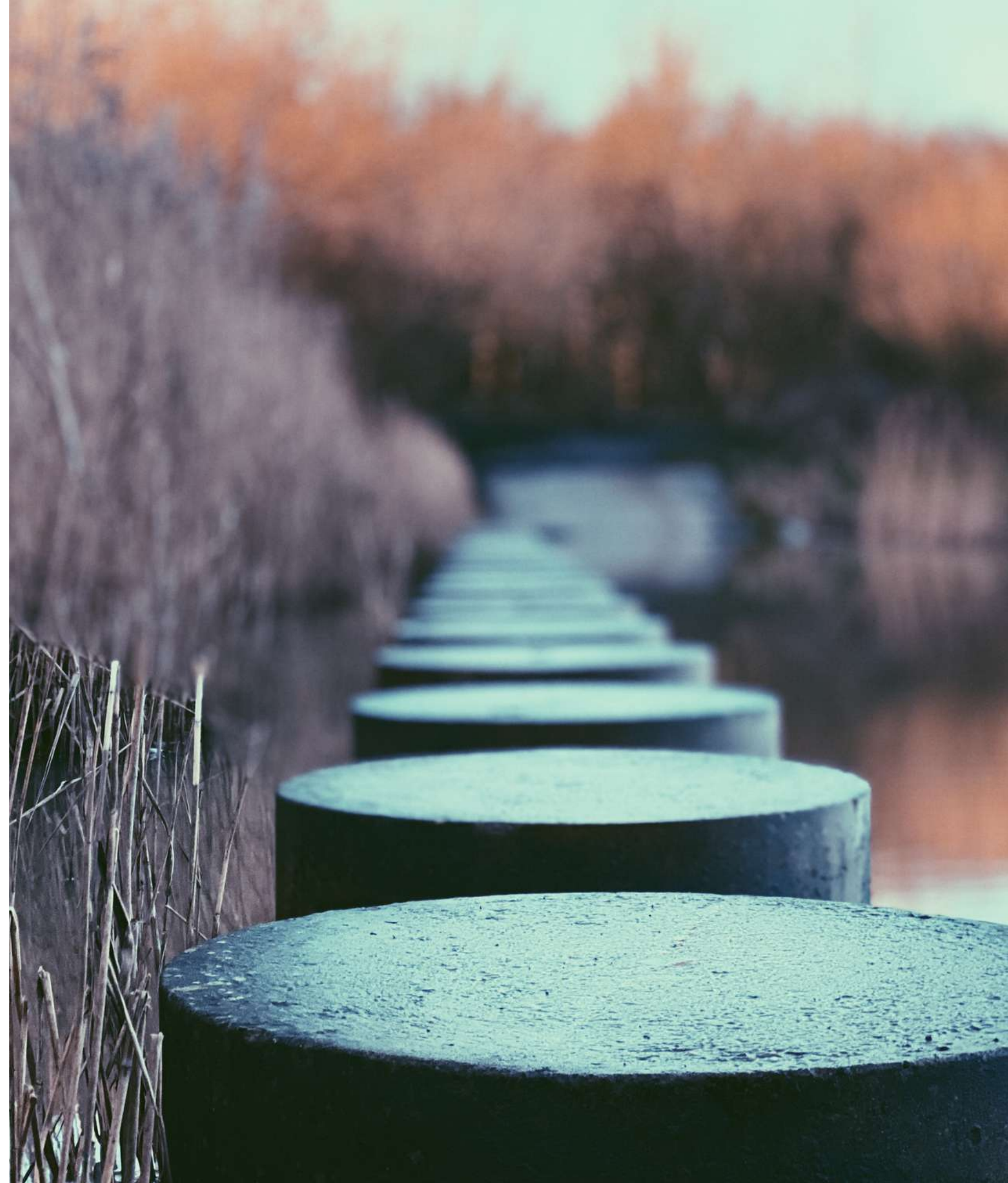
This approach enables environmental and community targets to be achieved in the short term and form the foundation of our progress.

OUR APPROACH

We have had a long term ambition to be a sustainable organisation and have been transitioning through product and packaging innovation, improved operational efficiency and communicating environmental goals with people within our value chain, among other activities. This evolving process has led to embedding a sustainability department into our business due to the importance of it to us.

Our approach encourages a step-by-step transition to sustainability. It is about understanding where we have come from, improving current processes and defining future, value focused targets.

By creating a sustainability progress report and sharing it with you we're aiming to establish a baseline of knowledge that can accelerate our transition to a more sustainable future. **We believe future progress will be achieved through a progressive approach focused on shorter term tangible targets that will assist in a systemic shift to value everything within global supply chains as a resource.**



OUR VALUES

Value is a core focus for our team at Comsol. We understand that to connect people with our products it is pivotal that each person receives an item of value. Yet, more than that, value is about our entire supply chain. Unlocking opportunity, creating positive feedback loops, enhancing environmental awareness, and importantly valuing everything within the ecosystem as a resource.

This is how we are approaching the transition to a sustainable future. One where we will continue to aspire to develop an environmental and socially supporting ecosystem for technology products and services.

For us it is about accountability to planet, people and to our business.



Executive Summary

Tim de Ridder
Sustainability Advisor
Comsol



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Sustainable Supply Chains

Industry

- ➔ measuring progress
- ➔ sustainable packaging
- ➔ taking the lead

Operations

- ➔ product stewardship
- ➔ sustainable development goals

Innovation

- ➔ circular economy
- ➔ knowledge sharing



02

Impact

Measure | Assess | Develop | Implement

04

Partnerships

Resource | Collaborate | Technology | Connect

03

Education

Learn | Share | Knowledge | Information

05

ESG (Environment, Social and Governance)

Value | People | Business | Environment



Pillar 1

Sustainable Supply Chains

is about value: valuing the product, packaging and people | being active citizens | practicing high-levels of product stewardship.





FEEDBACK LOOPS

Creating a sustainable supply chain for our business is our core objective when addressing environmental sustainability. Action in this sustainability pillar instigates many of the outcomes in the others - **cross-cutting themes and effects can provide insight into the success of our activities.**

For instance, a sustainable supply chain could:

- ➔ provide measurable impact,
- ➔ share educational information and knowledge,
- ➔ grow partnerships with individuals & organisations upstream and downstream, and,
- ➔ involve our team in environmental, social, and governance criteria decisions that provides a range of value to people and the planet.

It is all about creating feedback loops that can enable continual improvement.



PRIORITY AREAS

For us, creating a sustainable supply chain is about **accountability** and **ambition**. It means that we maintain standards i.e., recyclability goals for packaging, in collaboration with industry groups and organisations.

It is also assisted by **our desire to take the lead** in our part of the electronic sector. We believe this to be a really important section of our goals and ambitions. It relates to **product stewardship** and how **we align with the Sustainable Development Goals** and similar highly recognised blueprints for a sustainable future.

While our broadest priority area is all about innovation. We aim to **design for sustainability and unlock opportunities for our electronic products and entire supply chain to minimise impact on the environment**, while continuing to connect individuals and businesses with the technology they use on a daily basis.



ACCOUNTABLE AMBITION

Industry

Since becoming involved with the Australian Packaging Covenant Organisation **our team has aimed at achieving 'beyond best practice' standards.**

This includes utilising the Australian Recycling Label on packaging and joining the Australian New Zealand and Pacific Island Plastics Pact.



Operations

Product stewardship is a primary need in all supply chains but particularly in the electronic product sector.

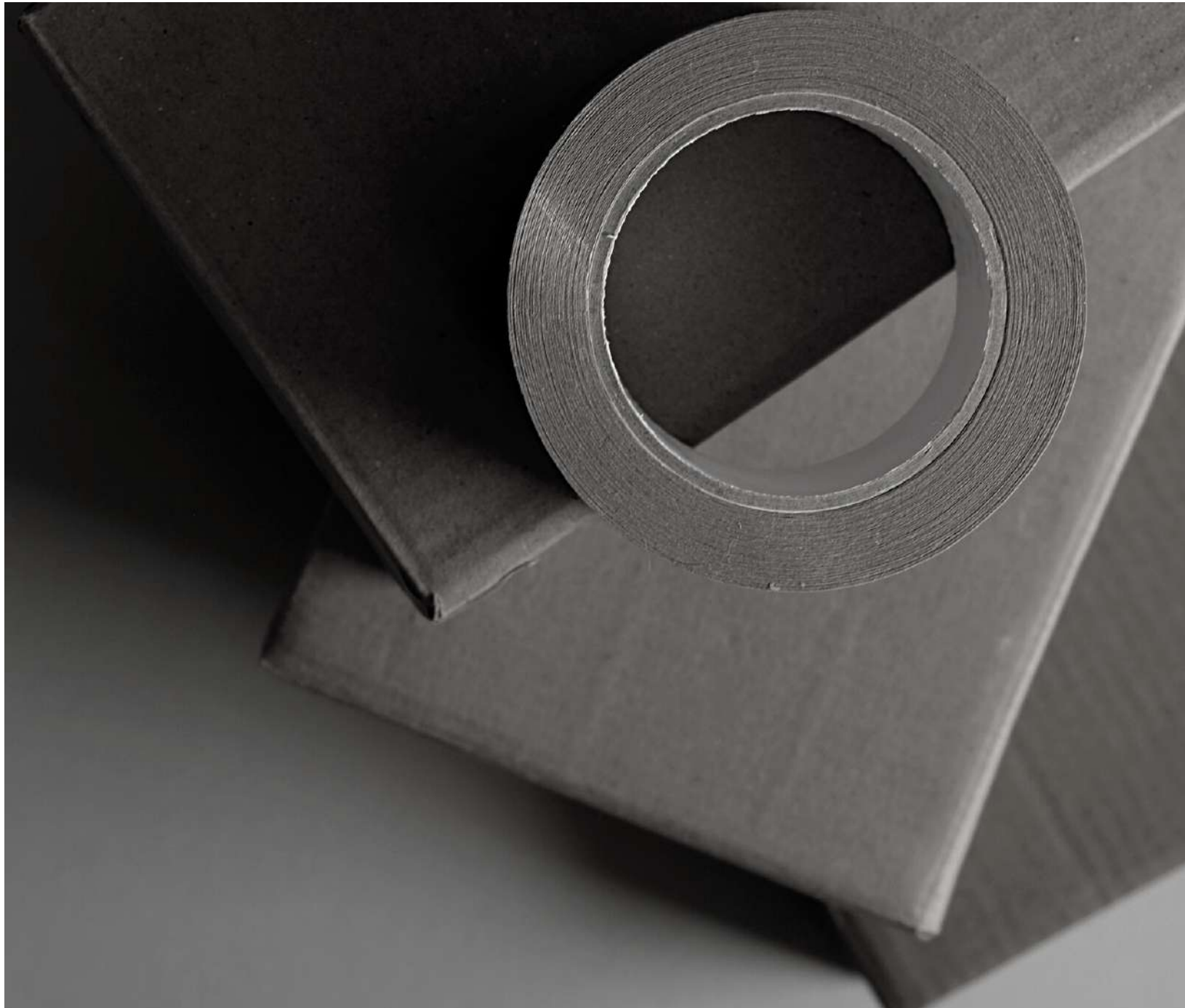
Electronic waste is the highest growing waste stream globally. By sharing responsibility to reduce human health and environmental impacts of these products we aim to be part of the catalyst for broader systemic change.

Innovation

Research and innovation in our broad product portfolio is an area of passion for our team. We know our products connect people to each other and the world.

How we can utilise a circular economy to enhance the whole of life value of our products is both a challenge and opportunity.





Industry

Plan | Do | Track | Improve

MEASURING PROGRESS

By being members of organisations that promote sustainable design and accountability to resources within the supply chain **our business actions are in line with industry needs and requirements.**



Membership

Australian Packaging Covenant Organisation (APCO)
- the industry organisation leading the move to a circular economy for packaging,

Goals

APCO's aim for packaging within Australia, by 2025, is for: 100% reusable, recycled or compostable packaging | >70% plastic packaging being recycled or composted | >50% recycled content in packaging | Phase out of problematic packaging.

Actions

- ➔ Aligning our packaging transition with APCO's Sustainable Packaging Guidelines, which is a resource that assists integration of sustainable packaging in line with 10 Principles.
- ➔ The process enables us to meet compliance regulations, and be part of the progress to deliver 11 key actions under the 2019 National Waste Policy Action Plan - Australia's circular economy approach.
- ➔ Drive sustainability across the sector by cross collaboration.



INDUSTRY INVOLVEMENT

Our team is an active participant in the Australia New Zealand and Pacific Island Plastics Pact (ANZPAC).

ANZPAC is a collaborative solution that brings together key players behind a shared vision of a circular economy for plastic, where plastic never becomes waste or pollution.

Comsol is involved in Workstream 2: Circular Design and Recycled Content.

Together with other industry participants we aim to:

- ➔ Design solutions and share resources about recycled content opportunities.
- ➔ Assist in demonstrating the business case for a circular plastics economy through research and collaboration.
- ➔ Provide consumer information on environmental sustainability.



RECYCLING LABELS

The success of increasing sustainability in packaging materials is enhanced by the use of clear instructions on how to recycle. **Recycling labels enable consumers to become active and informed participants in the movement of resources**, which is pivotal in a sustainable ecosystem.



Membership

Australian Recycling Label (ARL) - is an on-pack labelling scheme that is helping consumers to recycle correctly.

Goals

The ARL determines recyclability by assessing collection, sortation, reprocessing & end markets.

Actions

- ➔ Comsol have utilised the Packaging Recyclability Evaluation Portal (PREP) to determine recyclability of packaging.
- ➔ The assessment on PREP provides labels for Comsol to incorporate on all retail packaging to provide clear and simple instructions to consumers.
- ➔ Retail lines will transition to using the ARL from June 2022.



RECOGNISING OPPORTUNITIES

In 2022, new opportunities are launching that are of particular interest to the team.

➔ The Recycled Content Label (RCL) is a program for APCO members to verify recycled material in supply chains. The RCL will utilise a third-party certification system that will ensure accuracy and transparency of on-pack claims.

Our team have expressed interest in joining the RCL and in being involved in the development of the Recycled Content Traceability Standard. Utilising the RCL, in combination with our own internal processes, provides opportunities to design for transport efficiency - Principle 8 in APCO's Sustainable Packaging Guidelines.

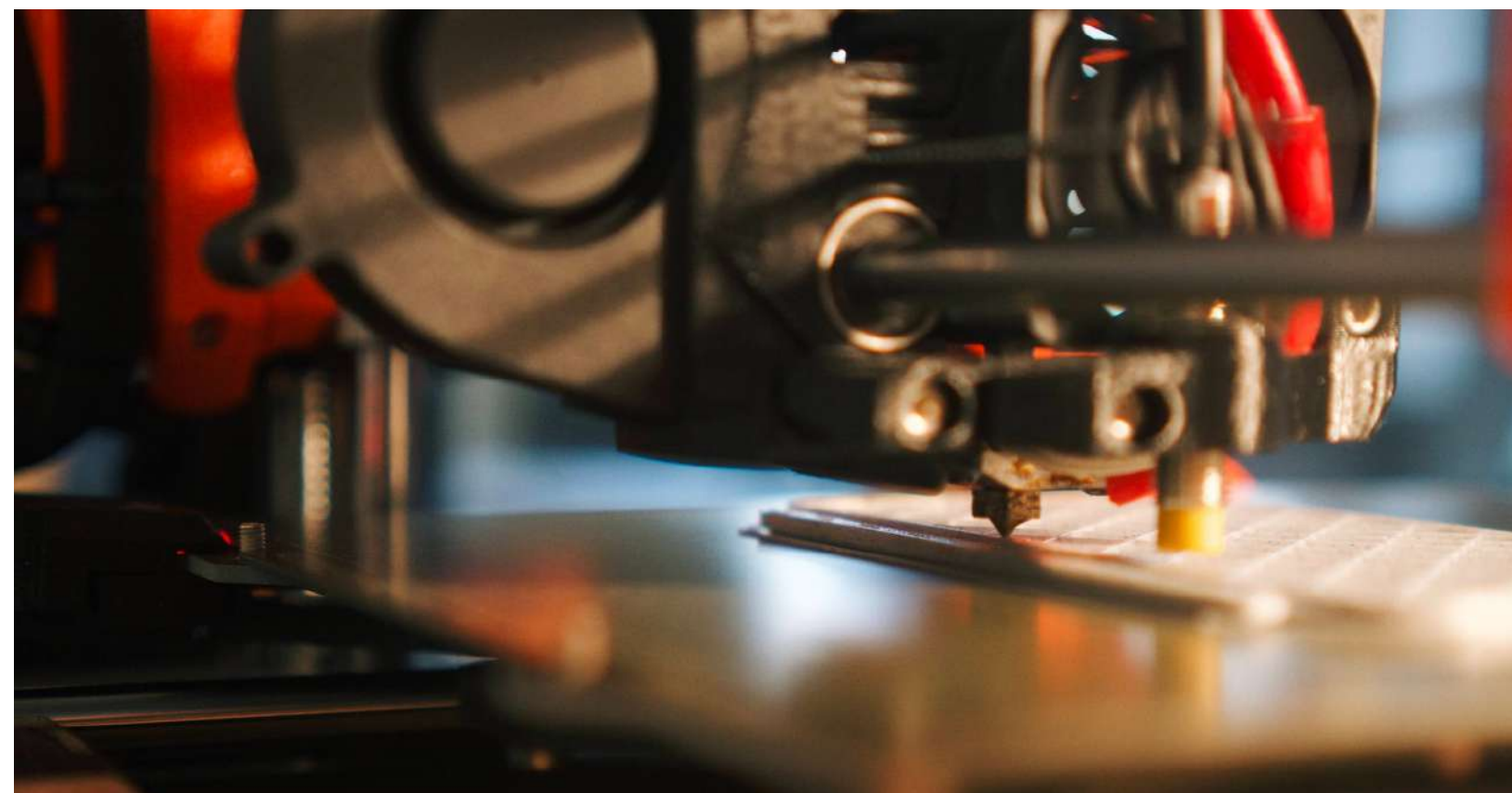
➔ **Global certification standards that encourage increased accountability of electronic products are of particular interest to our team.** This is due to the broad impact and approach it can make. The GECA (Good Environmental Choice Australia) ecolabelling program, that provides recognition of high standards throughout the supply chain, is a prime example of an organisation that can enable new opportunities to be developed for the Australian market in combination with our dedicated sustainability team





Operations

Plan | Do | Track | Improve



PRODUCT STEWARDSHIP



We have been actively involved in product stewardship conversations since implementing a designated sustainability department into our business.

This has involved participating in:

- ➔ an electronic stewardship roundtable,
- ➔ providing feedback as part of an industry consultation process on the Australian government's discussion paper for *Stewardship for Consumer and Other Electrical and Electronic Products*, and,
- ➔ the Australian government's Productivity Commission Inquiry Report on the *Right to Repair*.

Our focus is all about encouraging participation and being actively involved in responsibility throughout supply. We see this as a pivotal focal point in the electronics sector and believe that it can help to address the issue that e-waste is one of the fastest growing waste streams globally.

The pathway forward for all stakeholders in this sector needs to include product responsibility, supply chain accountability and active involvement in developing sustainable solutions.




GLOBAL GOALS



To guide us in achieving our environmental and social targets we utilise a number of resources including the Sustainable Development Goals (SDGs).

The 17 interlinked global goals are designed to be a blueprint to achieve a better and more sustainable future for all.

Our approach focuses on environmental and community goals. Specifically we aim to contribute towards:

-  Goal 4: quality education
-  Goal 5: gender equality
-  Goal 8: decent work and economic growth
-  Goal 10: reduced inequality
-  Goal 12: responsible consumption and production
-  Goal 13: climate action
-  Goal 14: life below water
-  Goal 15: life on land
-  Goal 17: partnerships for the goals

PRIORITY GOAL



Goal 12 of the SDGs aims to ensure sustainable consumption and production patterns. Our focus on designing, manufacturing and importing products means that this is our primary focus - **it is about product stewardship, which means valuing the environment and everyone in the global community we work with.**

Sustainable Consumption and Production in Action

- ➔ we seek to reduce waste and value resources by designing for sustainability,
- ➔ our team communicates with stakeholders both upstream and downstream in the supply chain to assist in the growth of a circular ecosystem,
- ➔ in line with APCO's goals and the ARL process our packaging is
 - ➔ transitioning toward 100% recycled cardboard/paper use,
 - ➔ 0% plastic use and is embracing opportunities presented by natural, water-soluble inks that enhance recyclability of packaging.

ENVIRONMENT & COMMUNITY



THE GLOBAL GOALS

In our formation of a structured plan and framework, defined by our five sustainability pillars, **the range of positive impact we could make by aligning our business with the SDGs is illuminating.**

For many of our actions, such as reducing plastic use on retail packaging, there are direct effects that relate to that goal of Responsible Consumption and Production. Additionally, there are intermediate effects and cross-cutting themes that are also beneficiaries of this action.

For us, it made sense to address specific goals with both an environmental and community focus.

These areas are our targets that can be achieved in a variety of ways such as through operations and innovations or through ESG activities that provide good back to the community.

Our SDG Compass guides our approach and will be reported on later in 2022 to highlight why we undertake our activities and how we are achieving those environment and community goals.



Innovation

Plan | Do | Track | Improve



PRODUCT INNOVATION



To encourage future growth and aspiration with an environmentally sustainable outlook our team has a research and sustainability wing of the business. **Our aim is to seek out new opportunities in electronic products that cause less harm to the environment.**

Sustainable product innovation can be found in solutions such as:

- ➔ reducing single use material i.e., removing plastic covers,
- ➔ upcycling parts of a product to be used in a new item i.e., reuse of copper in new cables,
- ➔ gaining access to product lines that have longer life and are more efficient i.e., improved capability of power banks, or,
- ➔ creating products with multiple functional components so that less individual products are needed by consumers i.e., dual multiport HDMI adaptors, 3 port power banks.

We aim to collaborate with partners and innovators in the sector through trade shows or one on one discussions in order to bring innovative products that incorporate sustainability into design to consumers.

Pillar 2

Impact

is about understanding actions and outcomes | utilising data to make informed decisions | creating change



PRIORITY AREAS

We are committed to reducing packaging waste, highlighted by our active memberships with APCO and ANZPAC, plus the implementation of the ARL logo on our retail packaging.

The focus on retail packaging in the initial stage has been an intentional move due to the consumer facing impact that it can make. Additionally, the higher sales turnover in our retail range compared to business to business (B2B) meant that **we can have greater impact in the immediate term through a sustainable transition of our retail range as the first step in the process.**

We see our approach enabling a broad amount of education and engagement with people downstream too, which is exciting and rewarding, an important cross-cutting theme.

After the initial priority area has been addressed we see **the next key challenge as the transition of our remaining product lines, namely in our B2B portfolio, to the use of recycled cardboard,** thus improving recyclability for all packaging.

PROGRESSIVE IMPACT



In 2021 our team evaluated data on our packaging over the previous 5 years. We learnt which items had what type of materials, how they were used and when a transition could occur to more sustainable packaging. **This process enabled a smooth transition to the implementation of the ARL in 2022.**

For our retail range, sold in Officeworks stores nationally, and our B2B Klik products the assessment highlighted:

- ➔ greater than 81% cardboard packaging used across all current product lines (2021 period),
- ➔ >25,000 kilograms of plastic was diverted from landfill due to a material shift to recycled cardboard (specifically from the first half of 2020: lines that shifted from using a plastic tray to cardboard insert),
- ➔ plastic use on packaging was reduced from >45% in 2016 to <18% in 2021,
- ➔ the use of water soluble, non-mineral soy-based ink can improve recyclability of cardboard.

For more details on overall impact of this assessment contact our team.

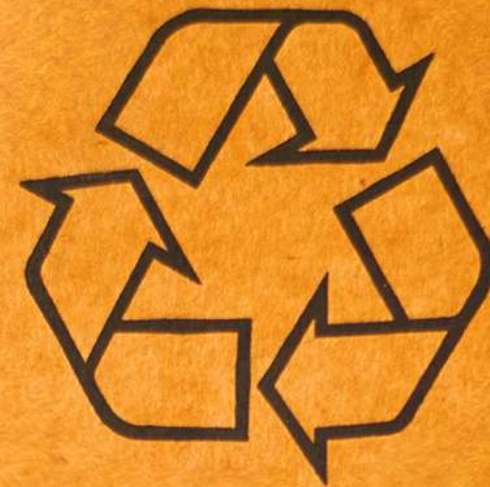
Pillar 3

Education

is about encouraging people to learn and develop their skills | share knowledge | inclusive communication



PRIORITY AREAS



The team at Comsol has, until recently, viewed themselves as a quiet achiever. Leaders in the market of cables, adaptors and chargers in Australia but undertaking these activities away from consumer recognition.

The move to embed sustainability into the organisation has come with the understanding that to promote environmental and community initiatives the veil of a quiet achiever needed to be removed. **This shift has led to active involvement in APCO, ANZPAC and other industry consultation processes.**

Additionally, it has meant that the message about why we are choosing to transition to more sustainable practices, along with providing insights about how this process will be undertaken is now consumer facing. This involvement with external stakeholders has mirrored the enhanced education processes in-house.

It is all about sharing knowledge, asking questions and finding sustainable solutions that can provide value across the supply chain.

RAISING AWARENESS



There are many ways to provide knowledge to consumers. Our packaging aligns and is measured toward APCO's Sustainable Packaging Guidelines (SPG). **Principle 10 of the guidelines, to Provide Consumer Information on Sustainability, has been actioned in a number of ways:**

- ➔ creating online posts and articles that are displayed on our website in a knowledge hub,
- ➔ reports that show direction and heighten accountability, such as our SPG Comsol Actions,
- ➔ community engagement on social media platforms.

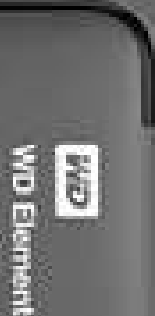
This process has been undertaken to increase education and awareness about environmental topics and is in addition to the ARL logo that is being incorporated on retail packaging during 2022.

Our assessment of impact also found a key cross-cutting area that provided an innovative recycling logo to our customers. From early 2020 product lines that transitioned from the use of a plastic inner tray to a cardboard insert incorporated the message '**Thank you for choosing Comsol. Help our planet and recycle this packaging**' with the addition of a thumbs up emoji.

Pillar 4

Partnerships

is about becoming involved with others in the ecosystem | developing value based outcomes | sharing and collaborating





PRIORITY AREAS

We have been operating with Officeworks, an Australian wide office supply store, for over a decade. **This collaboration has led to a range of innovations on products and packaging.** Importantly, the conversations with the team led to an improvement on all our packaging, including the implementation of the ARL.

In addition to this area we work hand-in-hand with B2B partners who have distinct needs and objectives for our products. To create sustainable solutions for packaging and products in these areas we have needed to assess those objectives.

A key finding from this process is that knowledge about the market, found through ongoing conversations with marketplace leaders provides innovative ideas. Understanding the waste cycle and entire supply chain will enable some of these sustainable concepts to be trialled. **This evolution through collaboration paints a path forward to new opportunities where we learn from others around us as much as they learn from us.** This is an important step-change that promises to deliver to the level that our involvement with our major partner has to date and implementation of the ARL is due to throughout 2022.

COLLABORATIVE MINDSET



Our research and sustainability capacity within Comsol is not independent of others within the ecosystem. Instead **we have been investing time into our partnerships with both upstream and downstream stakeholders**. For instance, we are undertaking an evaluation into the material use and life-span of our cables. This has involved:

- ➔ discussions with one of our major manufacturing teams to assess material usage and new designs,
- ➔ meetings with our major retail partner and attendance at sustainability conferences & webinars to learn and gain perspectives from others,
- ➔ consultation with multiple e-waste recyclers and product stewardship focused organisations,
- ➔ providing input into discussion papers that have been led by the Australian government to learn about industry needs and opportunities.

Understanding this process and **becoming involved in areas outside of our direct scope enables greater clarity in decision making** and creates opportunity to increase a range of valuable outcomes.

Pillar 5

ESG

*is about providing value to the environment, community and business
| recognising opportunity for value creation | people*



PRIORITY AREAS

Comsol has been actively involved in many community focused initiatives over the years that have provided a range of benefits to the receivers. In line with embedding sustainability within the business our focal points have broadened from a traditional Corporate Social Responsibility, CSR, to Environment, Social and Governance (ESG) initiatives that mirrors our ecosystem wide, impact focused objectives.

Targeting environmental, people and health initiatives matters to our team. Similarly, we involve ourselves in ESG initiatives from our partners, such as Officeworks, where that established program can have greater impact. A prime example, during 2021, was our contribution to the Wall of Hands Appeal, which raises funds and awareness for the Australian Literacy and Numeracy Foundation.

Involving ourselves in multiple ways enables the value we want to provide back to the environment and into communities to be felt broadly.



POSITIVE OUTCOMES



2022 has presented **a fantastic opportunity for our team to align our packaging transition and conversations about sustainability within our business to external initiatives.** Namely Clean Up Australia Day and Global Recycling Day.

- ➔ Our team have undertaken a business clean up of the Western Sydney Parklands, an area near our office and warehouse,
- ➔ We have published an article about recycling, raising awareness and valuing resources on our LinkedIn platform and website,
- ➔ A clean up day specific workshop was run that inspired and involved staff from both our office and warehouse teams,
- ➔ The marketing team created a short and captivating video on Comsol's sustainability impact, including illustrating the range of efforts that our team have made which has created tangible differences for the environment and community.

Embedding sustainability into our business has provided amazing outcomes to date. **We look forward to the next stepping stone in our transition to a sustainable future** in establishing a sustainable environmental and socially supporting ecosystem for technology products and services.

Comsol, Sustainably Connected
Accountability to Planet, People & Business



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