



Title: Environmental and Biodiversity Policy		
Responsibility: General Counsel	Effective Date: 8 May 2026	Issue: 4

OVERVIEW

Codan is committed to conducting its business in an environmentally responsible and sustainable manner and to supporting the principles of environmental sustainability, biodiversity conservation, climate change mitigation and climate change adaptation.

Codan recognises that environmental sustainability, biodiversity, climate-related risks and opportunities, resource efficiency and responsible supply chain practices are important to long-term value creation for Codan, its stakeholders and the communities in which it operates.

Codan will maintain environmental management systems, processes and controls that are appropriate to the nature, scale and environmental impacts of its activities, products and services. These systems will support continual improvement in environmental performance, compliance with applicable legal and regulatory requirements, and Codan’s ongoing annual climate-related reporting obligations under AASB S2 Climate-related Disclosures.

RELATED POLICIES

Work Health, Safety and Environment Policy	CP1000-519
Quality Policy	CP0400-003

SCOPE

This Policy applies to Codan Limited and its controlled entities, including Codan’s Mawson Lakes head office, subject to applicable local laws, regulations and operational requirements.

Where Codan does not have direct operational control, including in relation to suppliers, contractors, contract manufacturers and other value chain partners, Codan will use reasonable endeavours to influence improved environmental and biodiversity outcomes through supplier engagement, procurement processes, contractual requirements, due diligence, codes of conduct and ongoing monitoring

POLICY

At Codan, we recognise the critical importance of protecting the environment and conserving biodiversity for current and future generations. Biodiversity is the variability among living organisms from all sources, including terrestrial, marine and other aquatic ecosystems and the ecological complexes of which they are part. This includes diversity within species, between species and of ecosystems.

Codan is committed to promoting the responsible advancement of technology while minimising adverse environmental impacts and supporting the conservation of biodiversity. Codan will seek to operate in a manner that supports climate resilience, efficient resource use, responsible product stewardship and the transition to a lower-carbon economy.

Codan shall ensure its environmental management systems are appropriate to the purpose of the business, including the nature, scale and impacts of Codan's activities, products, services, operations and value chain. Codan's commitments are set out below.

1. Environmental management and continual improvement

Codan will:

- a) maintain effective environmental management systems and controls that are integrated into relevant business processes;
- b) maintain the AS/NZS ISO 14001 accredited Environmental Management System for the Mawson Lakes head office and apply appropriate environmental management controls at other sites having regard to their activities, risks and local requirements;
- c) set, monitor and review environmental objectives that are relevant to Codan's operations and material environmental impacts;
- d) provide appropriate resources, training, systems, data and governance to implement this Policy and monitor environmental performance;
- e) identify opportunities to continually improve environmental performance, including through management review, internal reporting, audit, corrective action and business improvement forums;
- f) maintain documented information and records necessary to demonstrate compliance, support decision-making and enable reliable reporting; and
- g) make this Policy available to employees and other interested parties through appropriate internal and external channels, including Codan's intranet and website.

2. Compliance obligations

Codan will comply with all applicable environmental laws, regulations, licences, approvals, standards and other compliance obligations in the jurisdictions in which it operates.

Codan will identify, assess and manage environmental compliance obligations through appropriate business processes and will take corrective action where actual or potential non-compliance is identified.

3. Climate change, emissions and AASB S2 reporting

Codan recognises the importance of mitigating climate change, adapting to a changing climate and understanding climate-related risks and opportunities that may affect Codan's operations, value chain, strategy, financial position and long-term prospects.

Codan will maintain processes, controls, data and records that support annual reporting under AASB S2 Climate-related Disclosures in each reporting year moving forward.

To support this commitment, Codan will:

- a) maintain processes to identify, assess, prioritise, monitor and manage climate-related physical risks, transition risks and climate-related opportunities;
- b) integrate climate-related risks and opportunities into Codan's broader risk management, strategy and planning processes where relevant;
- c) assess climate-related risks and opportunities across short, medium and long-term time horizons, consistent with Codan's reporting, risk and strategic planning processes;
- d) use climate scenario analysis to assess climate resilience and inform strategy, planning and disclosure;
- e) collect, maintain and improve data relating to Scope 1, Scope 2 and relevant Scope 3 greenhouse gas emissions;
- f) maintain methodologies, assumptions and records to support consistent, reliable and assurance-ready climate-related reporting;
- g) support the development of credible climate-related metrics and targets where appropriate, based on reliable and consistent data;
- h) monitor progress against emissions reduction actions and any approved climate-related targets;

- i) support the development and implementation of transition planning activities where material and appropriate; and
- j) provide relevant information to the Board, Audit and Risk Committee, Executive Management and Sustainability Council to support oversight of climate-related risks, opportunities, metrics and targets.

4. Energy efficiency and emissions reduction

Codan will seek to reduce its environmental impact by improving energy efficiency, reducing greenhouse gas emissions and increasing the use of lower-emission alternatives where practical and commercially appropriate.

Codan will pursue opportunities including:

- a) reducing energy consumption and improving energy efficiency in facilities and operations;
- b) increasing the use of renewable electricity or renewable energy products where feasible;
- c) using electric, hybrid or other low-emission vehicles where practical when fleet vehicles are replaced;
- d) encouraging lower-emission business travel options where available;
- e) prioritising lower-emission freight and logistics options where operationally feasible;
- f) considering credible and high-integrity carbon offset options where residual emissions cannot reasonably be avoided or reduced; and
- g) engaging with key suppliers and contract manufacturers on energy efficiency, emissions reduction, climate adaptation and lower-carbon production processes.

5. Resource efficiency, circular economy and waste

Codan will strive to minimise the use of natural resources, including raw materials, energy and water, to reduce its ecological footprint and promote sustainable practices.

Codan will seek to:

- a) use resources efficiently and reduce unnecessary consumption;
- b) prevent pollution and minimise waste generation;
- c) segregate, reuse, recycle or responsibly dispose of waste streams where practical, including e-waste, cardboard, batteries, organic waste, printer toner and secure documents;
- d) support circular economy principles in product development, procurement, packaging, operations and value chain activities;
- e) consider product lifecycle impacts, including embodied carbon, durability, repairability, recyclability, packaging and end-of-life treatment;
- f) pursue opportunities to use renewable, recycled or highly recyclable inputs where feasible;
- g) seek more sustainable packaging solutions where practical; and
- h) maintain compliance with applicable product environmental requirements, including relevant restrictions on hazardous substances and waste electrical and electronic equipment obligations.

6. Biodiversity and nature

Codan recognises the importance of biodiversity conservation and the protection of natural ecosystems.

Codan will:

- a) seek to avoid, minimise, mitigate or remediate adverse impacts on biodiversity and natural ecosystems arising from Codan's operations where practical;
- b) consider biodiversity and nature-related risks where Codan's activities, sites, projects or supply chain may interact with land, water, habitat, protected species or sensitive ecosystems;
- c) develop Codan's capacity to assess, act on and report nature-related dependencies, impacts, risks and opportunities;

- d) monitor emerging voluntary nature-related reporting practices, including developments associated with the Taskforce on Nature-related Financial Disclosures, and determine whether voluntary nature-related reporting is appropriate for Codan;
- e) encourage suppliers and contractors to minimise environmental impacts and support biodiversity conservation where relevant to the goods and services they provide to Codan; and
- f) support initiatives that create positive environmental impacts in Codan's operations and communities where aligned with Codan's business and ESG objectives.

7. Supply chain and contract manufacturers

Codan acknowledges that a significant proportion of its environmental impact occurs indirectly through its value chain.

Codan will:

- a) engage with key suppliers and contract manufacturers to encourage sustainable business practices and reduced environmental impacts;
- b) encourage suppliers to comply with applicable environmental laws and adopt appropriate environmental management systems and controls;
- c) consider environmental performance, climate-related risks, emissions, resource efficiency, packaging, transport, waste and product lifecycle impacts in relevant procurement and supplier engagement processes;
- d) support engagement with suppliers on climate adaptation and decarbonisation opportunities;
- e) seek to improve the quality and completeness of environmental and emissions data received from key suppliers; and
- f) use Codan's Supplier Code of Conduct and other appropriate mechanisms to communicate Codan's environmental expectations.

8. Environmental incidents and emergency preparedness

Codan will maintain processes to prevent, report, investigate and respond to environmental incidents and near misses.

Codan will:

- a) identify potential environmental emergency situations relevant to its operations;
- b) maintain appropriate controls to prevent pollution and environmental harm;
- c) report and investigate environmental incidents in accordance with Codan procedures and applicable legal requirements;
- d) take corrective and preventive action where required; and
- e) share learnings to support continual improvement.

9. Communication, training and awareness

Codan will communicate this Policy and relevant environmental management system requirements to employees, contractors and other persons working under Codan's control.

Codan will provide appropriate training and awareness to ensure employees and relevant contractors understand their environmental responsibilities, including responsibilities relating to resource use, waste management, environmental incident reporting, climate-related data collection and compliance obligations.

10. Governance and accountability

Executive Management is responsible for implementing this Policy and ensuring that appropriate resources, systems and processes are in place to support environmental management, biodiversity conservation and climate-related reporting.

The Board has overall responsibility for the oversight of group risks and opportunities, including sustainability and climate-related matters. The Audit and Risk Committee supports the Board in overseeing financial and non-financial risks, including climate-related risks and other ESG factors.

The Sustainability Council supports implementation of Codan's ESG Framework and assists in identifying, assessing and monitoring environmental, climate-related, biodiversity and other ESG risks and opportunities. The Sustainability Council will report material ESG and climate-related matters through appropriate executive and governance channels.

All employees and contractors working under Codan's control are responsible for complying with this Policy, following relevant environmental procedures, using resources responsibly, reporting environmental hazards or incidents, and contributing to continual improvement.

11. Monitoring, reporting and review

Codan will monitor environmental performance, climate-related risks and opportunities, emissions data and relevant environmental objectives and targets.

Codan will report environmental and climate-related information internally and externally as required, including through Codan's annual ESG and sustainability reporting processes and annual reporting under AASB S2 Climate-related Disclosures.

Management shall review this Policy annually or as required, due to material changes in Codan's operations, legal obligations, environmental risks, climate-related reporting requirements, stakeholder expectations or business strategy. The review will consider whether this Policy remains relevant to Codan's business, stakeholders, environmental management systems, ESG Framework and AASB S2 reporting obligations.