

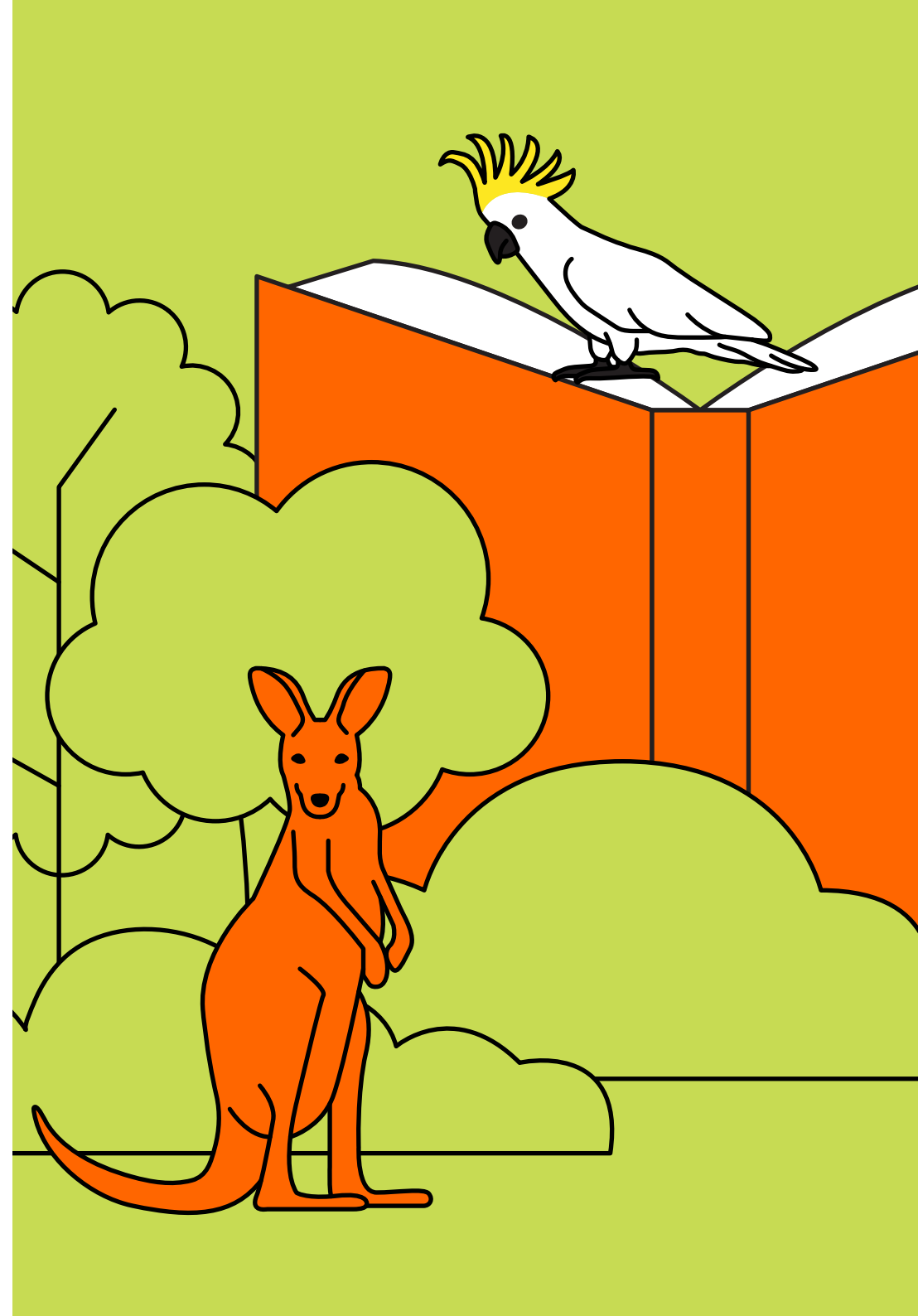
# Our Sustainability Story 2025



Penguin  
Random House  
Australia & New Zealand

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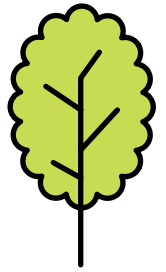
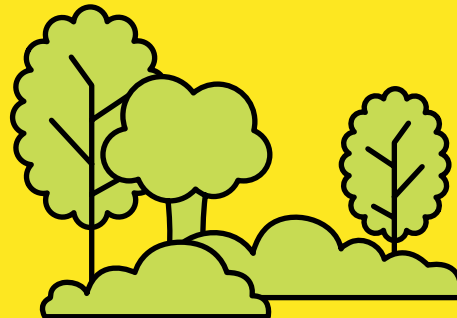
# Foreword

The state of our planet has worsened in recent decades, and climate change is one of the biggest threats to our survival. There is a responsibility on corporations to implement sustainable practices and reduce greenhouse gas emissions (GHG) to safeguard future generations.

At Penguin Random House we are committed to embedding sustainability into everything we do to ultimately achieve our target of becoming climate neutral by 2030. We recognise the importance of each individual action, and how one person can inspire change amongst many, and how we, as an industry leader, can play our part towards a better future.

We aim to be transparent on where we stand by constantly reporting on our progress. In line with our values, we believe it is important to discover new and innovative ways to achieve sustainability, respect our planet (limiting our impact on it), engage with our authors, customers and business partners who share our sustainability values, and disseminate our knowledge to ensure we all move towards sustainability.

In 2025 we saw a slight increase in our footprint, which was expected and driven by business growth, increased production and sales, and the construction of our new warehouse. Importantly, we have still reduced our emissions by 32% compared to our 2018 baseline and remain on track to achieve our long-term goal of a 50% reduction by 2030.



**“Our world is constantly changing. To maintain our position as industry leaders we must meet the ongoing challenge of sustainability and continue to find ways to innovate and thrive.”**

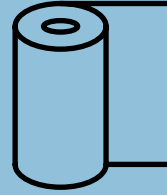


**JULIE BURLAND,  
CEO PENGUIN RANDOM HOUSE  
AUSTRALIA & NEW ZEALAND**

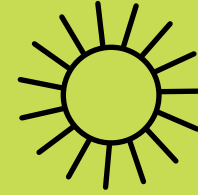
# Our Sustainability Pledge



Climate Neutral by  
**2030**



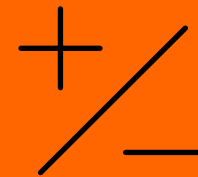
**100%**  
sustainably sourced  
paper



**100%**  
renewable energy at  
all sites



**50%**  
minimum reduction in  
greenhouse gas (GHG)  
emissions compared to 2018



**100%**  
compensation of  
remaining emissions

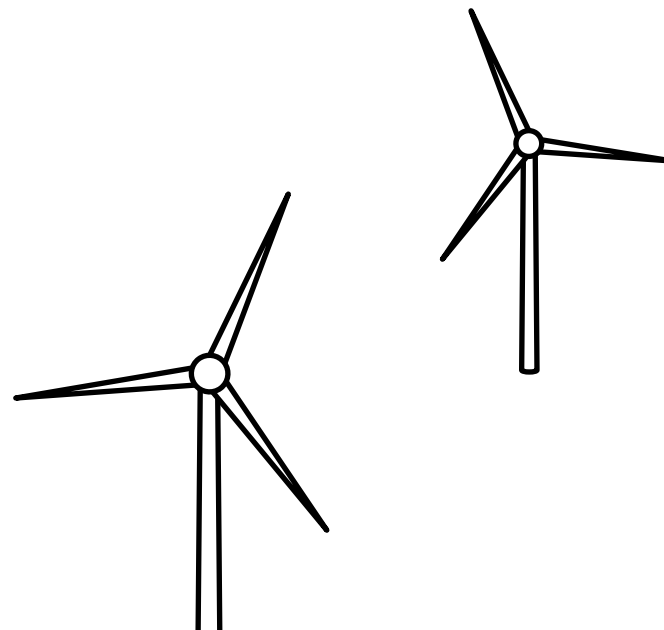
# Methodology

We believe it is important to be transparent and accountable, which is why we once again engaged an independent consultancy firm to analyse our carbon footprint. The firm analysed and reported on our Scope 1, 2 and 3 emissions, and detailed our impact in accordance with the ISO 14064-1:2018 standard. This methodology lists six categories of emissions:

GHG PROTOCOL SCOPE	ISO 14064 CATEGORY	DESCRIPTION
1	1	Direct GHG emissions from stationary and mobile combustion sources
2	2	Indirect GHG emissions from imported energy
3	3	Indirect GHG emissions from transportation
	4	Indirect GHG emissions from products used by the organisation
	5	Indirect GHG emissions associated with the use of products from the organisation
	6	Indirect GHG emissions from other sources not covered in categories 1 to 5

In accordance with ISO 14064-1:2018, PRH reports facility-level GHG emissions and removals using the operational control approach. This includes all emissions and removals from facilities and operations where PRH has the authority to implement policies and procedures, regardless of ownership.

The most significant application of this approach is the inclusion of emissions from third party transport providers, Penguin Random House Distribution, and employee emissions across the PRH sites in Australia and New Zealand that support the service offering to customers. In these instances, PRH has or can exert control over the way that this service is delivered.



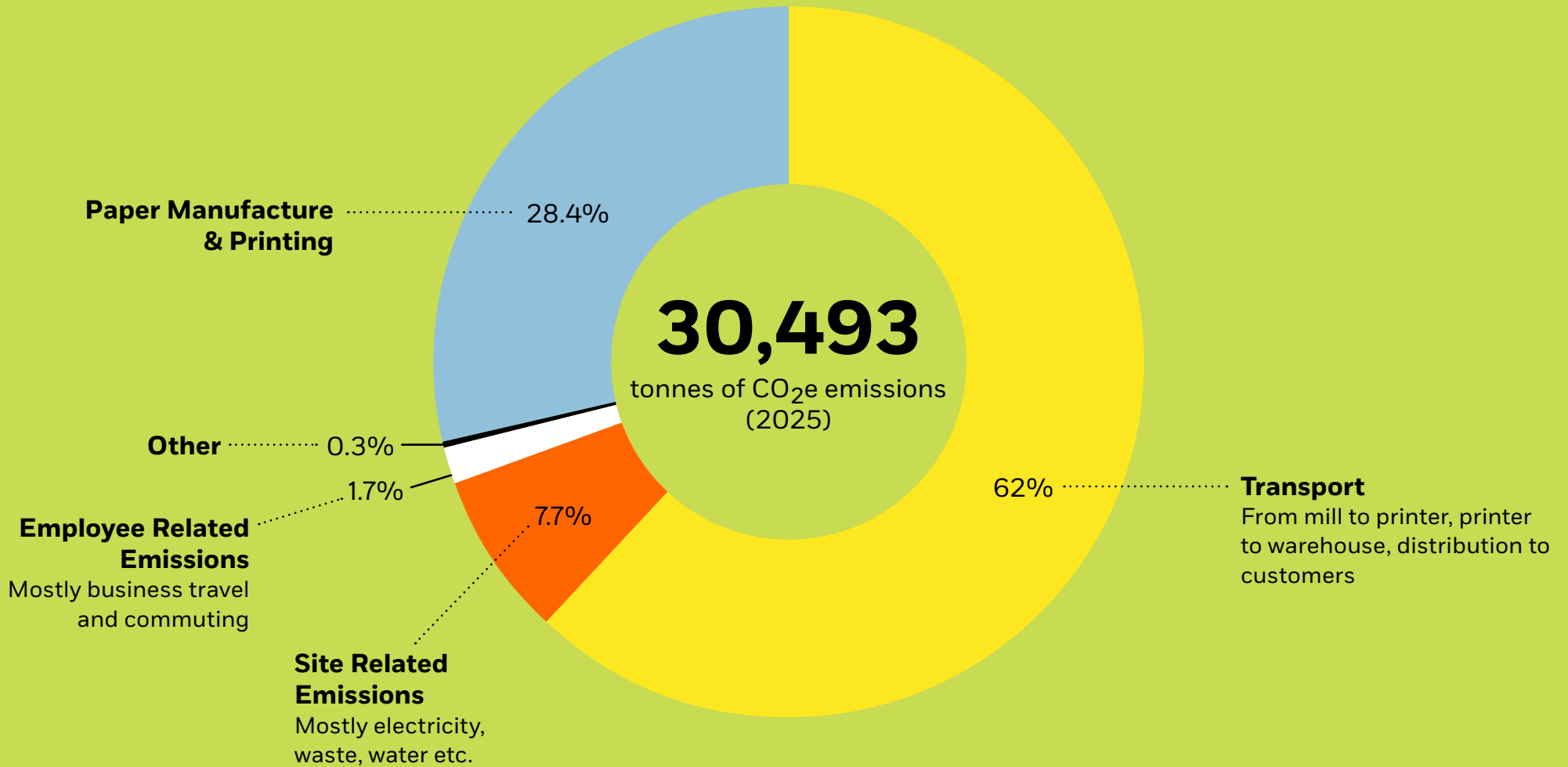
# Our 2025 Emissions

Scope	Category	CO <sub>2</sub> e Aus (tonnes)	CO <sub>2</sub> e NZ (tonnes)	Total	Percentage of Total
1	Mobile fuels (cars, trucks etc.)	62	20	82	0.27%
1	Stationary fuels (boilers, generators etc.)	36	0	36	0.12%
2	Imported electricity consumption	1,558	4	1,562	5.12%
3	Paper mill/Printer/Printer materials	8,661	0	8,661	28.40%
3	Business travel and accommodation	132	9	141	0.46%
3	Staff commute	515	13	528	1.73%
3	Inbound transport and distribution	11,670	0	11,670	38.27%
3	Outbound transport and distribution	6,512	714	7,226	23.70%
3	Energy transmission and distribution losses for natural gas	180	1	181	0.59%
3	Working from home	1	1	2	0.00%
3	Water supply and wastewater treatment	11	0	11	0.04%
3	Waste disposal and recycling	541	12	553	1.81%
3	Upstream leased assets	84	0	84	0.28%
3	End-of-life book disposal	-14	0	-14	-0.05%
3	Emissions offsets	-230	0	-230	-0.75%
<b>TOTAL</b>		29,719	774	30,493	100%

## Calculating CO<sub>2</sub>e

CO<sub>2</sub>e means Carbon Dioxide Equivalent, as emissions have been calculated looking at carbon dioxide, methane and nitrous oxide. Each gas has different global warming potentials (GWP) so it is easier for reporting to express emissions as one factor.

# Our 2025 Emissions



# Our 2025 Emissions: At A Glance

From 2018 to 2024, we achieved a 49% reduction in greenhouse gas emissions, decreasing from 44,652.6 tonnes CO<sub>2e</sub> to 22,674 tonnes CO<sub>2e</sub>. In 2025, emissions increased to 30,493 tonnes CO<sub>2e</sub>, reflecting the expansion of our distribution capacity through a larger, more efficient warehouse, alongside growth in sales and production volumes.

Despite this rise, our emissions remain significantly below 2018 levels across our primary categories. We continue to make steady progress and remain on track to meet our target of achieving climate neutrality by 2030.

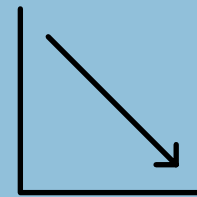


Our total carbon footprint was **30,493 tonnes** of CO<sub>2e</sub>.



Our highest categories continue to be:

- Inbound and outbound freight at 62%
- Paper mill, printer and printer materials at 28%

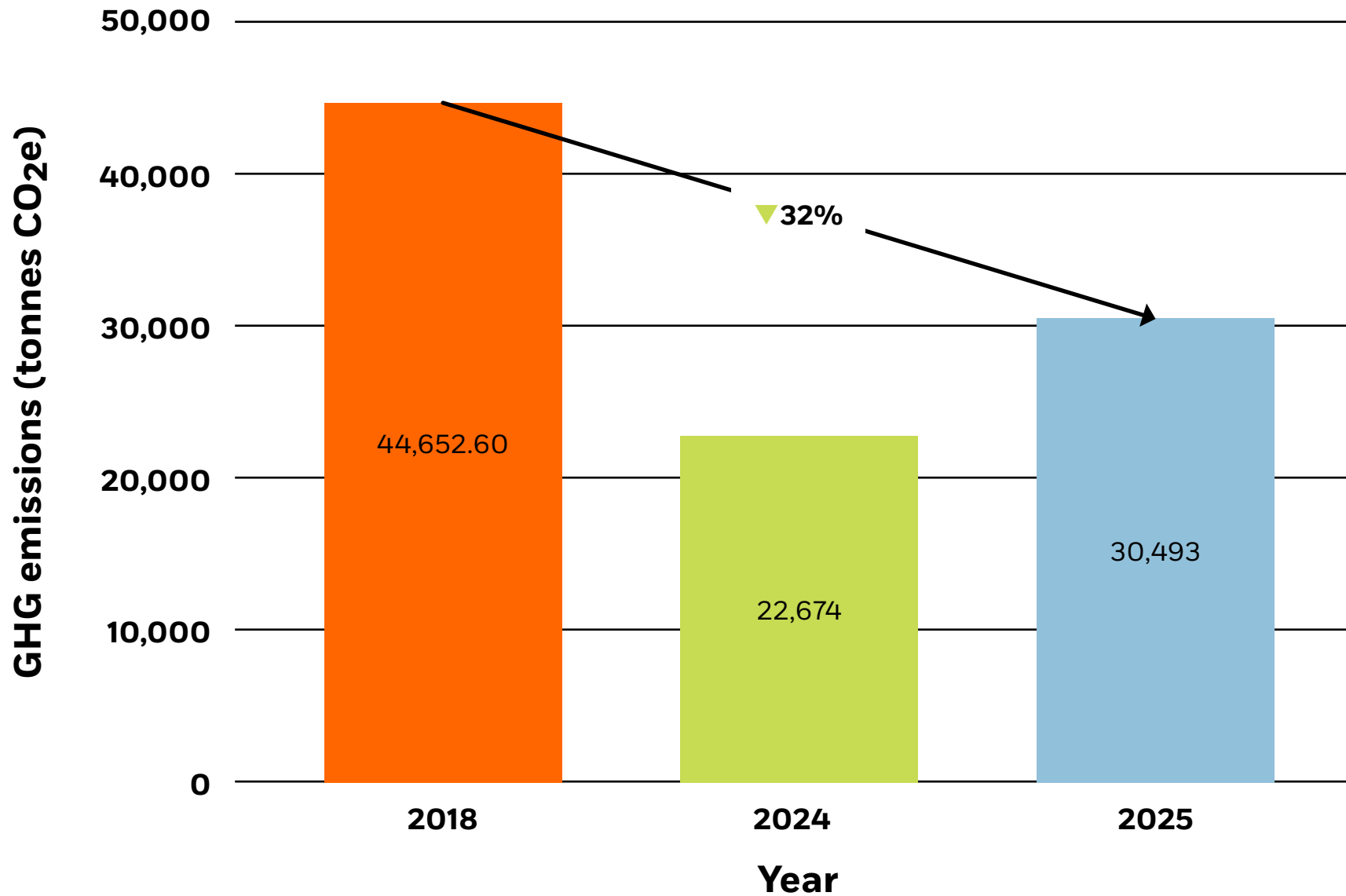


Our 2025 emissions mean we have reduced our emissions by 32% on 2018.

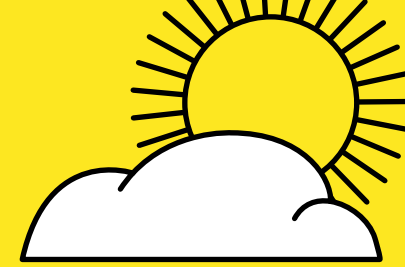
# Our Emissions Progress

Scope	Category	Total CO <sub>2</sub> e 2018 (tonnes)	Total CO <sub>2</sub> e 2024 (tonnes)	Total CO <sub>2</sub> e 2025 (tonnes)	Change of emissions since 2018 (%)
1	Mobile fuels (cars, trucks etc.)	170	79	82	▼52%
1	Stationary fuels (boilers, generators etc.)	20	28	36	▲80%
2	Imported electricity consumption	1,732	935	1,562	▼10%
3	Paper mill/Printer/Printer materials	5,268	6,799	8,661	▲64%
3	Business travel and accommodation	557	177	141	▼75%
3	Staff commute	839	543	528	▼37%
3	Inbound transport and distribution	26,597	8,529	11,670	▼56%
3	Outbound transport and distribution	8,477	5,569	7,226	▼15%
3	Energy transmission and distribution losses for natural gas	164	93	181	▲10%
3	Working from home	2	1	2	0%
3	Water supply and wastewater treatment	1.10	22	11	▲900%
3	Waste disposal and recycling	838	113	553	▼34%
3	Upstream leased assets	-	84	84	N/A
3	End-of-life book disposal	-12	-18	-14	▼17%
3	Emissions offsets	-	-190	-230	N/A
<b>TOTAL</b>		44,652.6	22,674	30,493	▼32%

# Our Emissions Progress: Summary



# Recent Achievements



## Penguin Foundation Volunteer Day

On Wednesday 17 September 2025, the Penguin Random House volunteer team headed down to the iconic Penguin Parade to support the conservation work being done to protect the local little penguins. Rising temperatures and an increasing number of consecutive hot days are contributing to higher mortality rates, while the heightened risk of bushfires poses an additional threat to their fragile environment.

The team planted 1,000 carefully selected native plants in a designated conservation area. The task involved digging small holes, placing the seedlings, and installing protective guards. These plants will play an important role in helping to shade and cool penguin burrows, while also reducing the severity of potential bushfires. It was a rewarding and memorable day, with everyone proud to contribute to a project that supports the long-term survival of the world's smallest penguin.



# Recent Achievements

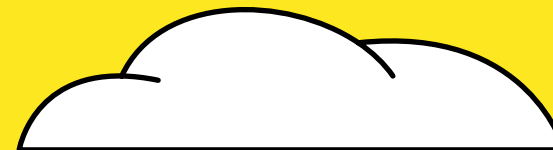
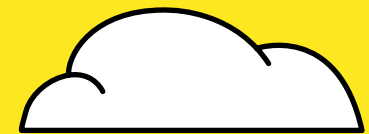


## Tree Planting Day

On Thursday 30th October 2025, Sydney PRH staff headed to Fred Hutley reserve to participate in our annual Tree Planting Day with the North Sydney Council. We spread mulch across the soil to retain soil moisture, suppressed weeds to protect native plants and planted new trees in the local area.

PRH is proud to have supported National Tree Day for several years now, in fact we planted trees in 2023 and weeded the same area in 2025! PRH loves fostering our connection to the land around us and giving back to the environment.

Thank you to the North Sydney Council for facilitating the day and educating us on the land which we live and work on.



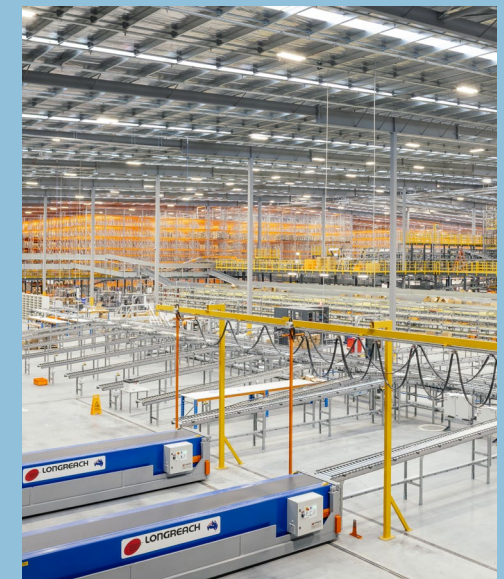
# Penguin Random House Distribution

In 2025, PRH ANZ opened a new warehouse – Penguin Random House Distribution. Aligned with PRH’s global commitment to achieve carbon neutrality by 2030, the new facility was designed to meet a 5 Star Green Star – Design & As-Built v1.3 rating from the Green Building Council of Australia.

Sustainability was a central focus throughout the development. One key feature is solar panels, and in 2025 these panels achieved 400.2 tonnes CO<sub>2</sub>e reduction, saving 162.17 tonnes of coal. This is equivalent to planting 21,851 trees. Other key features include water catchment systems and a range of energy-saving initiatives, all aimed at reducing environmental impact and ensuring the site is fit for the future.

The facility also incorporates advanced energy monitoring systems that enable real-time tracking and optimisation of energy use across the site. High-efficiency LED lighting and smart building controls further reduce electricity consumption. In addition, the overall design prioritises natural light and ventilation lowering reliance on artificial systems. Sustainable materials were used throughout construction, helping to reduce the building’s overall carbon footprint from the outset.

Together, these features position the warehouse as a state-of-the-art, environmentally responsible facility and a benchmark for sustainable logistics infrastructure.



# Progress Towards Our Goals



## Climate Neutral by 2030

We are making great progress towards our overarching goal of climate neutrality by 2030, with a continuous trend of decreasing emissions year on year. We are beginning to look into offsetting schemes, including the continuation of our New Starter Employee Offset Scheme through GreenFleet, which plants trees to offset 10 tonnes of CO<sub>2</sub>e per new employee. In 2025 approximately 384 trees were planted to offset 230 tonnes. We can't wait to see how many more trees we plant in 2026.



## 100% sustainably sourced paper

100% of our text papers are sustainably sourced, either through FSC, PEFC or SFI accreditation.

In addition to our pledge we are working towards seeking alternatives for cover board and other material to ensure they are also sustainably sourced, as well as confirming chain of custody certificates from all our printers.

Within our operations, all the paper used in offices for printing and administration is made of 100% recycled material and is carbon neutral. Similarly, our book cartons are made of a mix of recycled material and PEFC certified cardboard.

# Progress Towards Our Goals



## 100% renewable energy across all sites

In 2023, all PRH ANZ sites converted to renewable energy. We are thrilled that we have reached this target as it helps us in achieving our overarching climate neutrality and helps to drive the uptake of renewable energy in Australia and New Zealand. We will continue to implement energy saving practices throughout our sites to reduce energy usage and costs.



## 50% minimum reduction in greenhouse gas (GHG) emissions compared to 2018

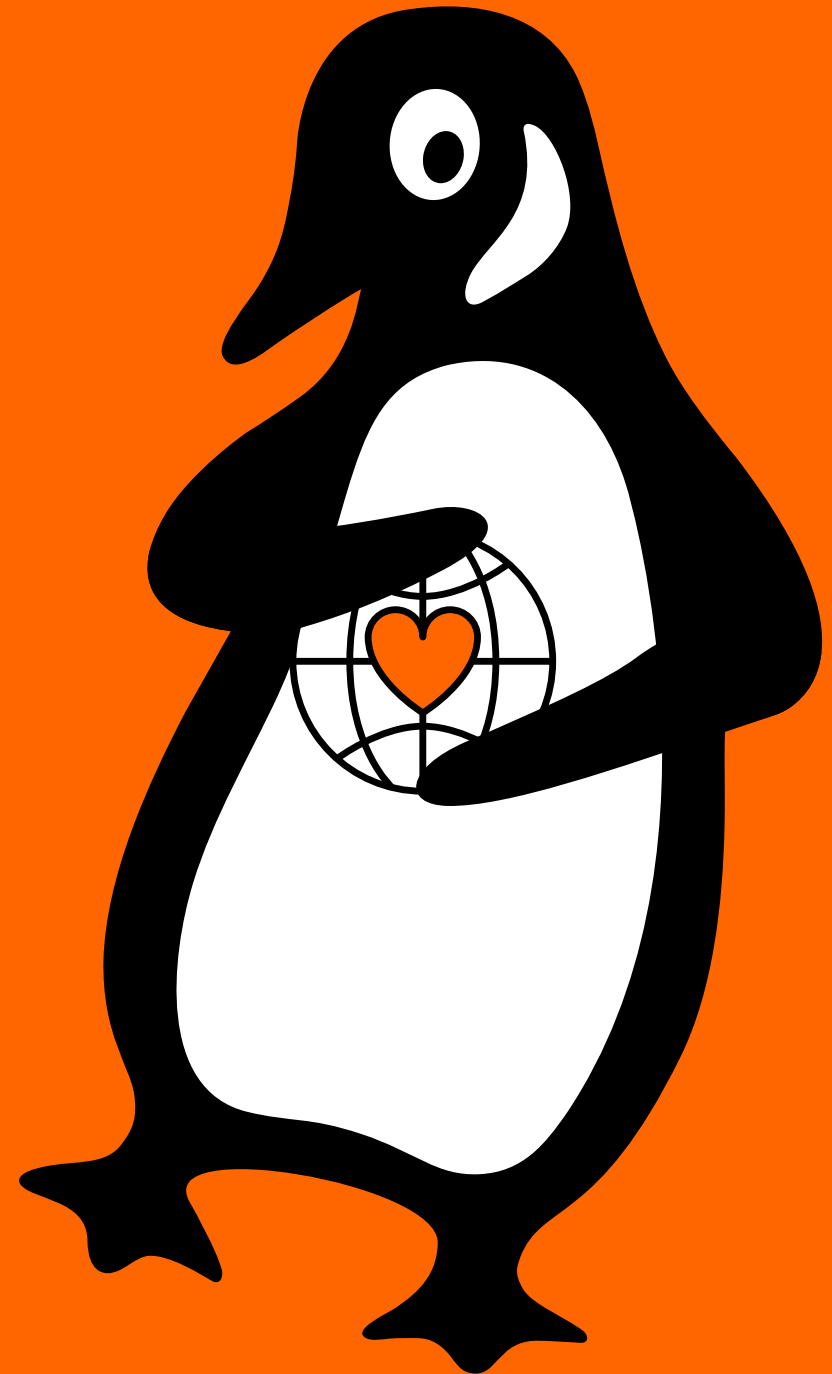
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We are proud to have reduced our emissions by 32% compared to 2018. Whilst we achieved a 49% emissions reduction in 2024, we remain on track on our long-term goal to achieve a 50% emissions reduction from 2018 levels by 2030.

# The Bigger Picture

As global citizens, and as part of Bertelsmann, Penguin Random House Australia & New Zealand supports the UN Sustainable Development Goals.

Our work directly impacts the following goals:



# Our Action Plan

## Penguin Random House Australia & New Zealand Sustainability Action Plan

<p><b>Our Plan</b></p>	<p><b>Carbon neutral</b> by <b>2030</b></p>	<p><b>50%</b> reduction in Scope 1 and 2 emissions by <b>2025</b></p>	<p><b>25%</b> reduction in product-related emissions by <b>2030</b></p>	<p><b>100%</b> compensation of remaining emissions by <b>2030</b></p>
<p><b>Direct operations</b></p>	<p>Offices and distribution centres powered by <b>100%</b> renewable energy in <b>2023</b></p>	<p>Limiting <b>business travel</b> through online communication</p>	<p>Using <b>100%</b> recycled office printer paper and sustainable stationery</p>	<p>Thorough <b>recycling</b> and waste initiatives in our offices and distribution centres</p>
<p><b>Supply Chain</b></p>	<p>Finalise <b>eliminating</b> single use <b>plastics</b> by using sustainable alternatives</p>	<p><b>100%</b> recyclable packaging with a composition of at least <b>50%</b> recycled materials</p>	<p>Reducing the amount of inbound international freight by <b>localising the supply chain</b></p>	<p>Conducting <b>audits</b> of our paper mills and printers to monitor their environmental and social impacts</p>
<p><b>Our People &amp; Books</b></p>	<p><b>100%</b> sustainably sourced paper that's <b>FSC</b> certified (or equivalent)</p>	<p>Utilising a <b>sustainable design guide</b> for books and covers to ensure we reduce the environmental impact of each and every book</p>	<p><b>Our Green Team</b>; volunteer staff across all our sites who promote and engage with green initiatives aimed at reducing our footprint</p>	<p>Partnering with charities such as the <b>Penguin Foundation</b>, and participating in Clean Up Australia Day and Planet Ark's National Tree Day</p>



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