

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE POLICY

1. PURPOSE

NZPM is driven by a strong purpose of delivering sustainable shareholder value. We strive to make an impact that matters, for our people, for our customers, and for our communities.

We are committed to conducting our business in a manner that is environmentally responsible, socially conscious, and governed with the highest ethical standards.

NZPM will be guided by the seven internationally agreed principles of being a co-operative, which emphasise democracy and shared equity while providing economic and social returns to members and their communities.

The purpose of this Environmental, Social, and Governance (ESG) Policy is to provide information and guidelines to our people and stakeholders to strongly encourage responsible and sustainable practices.

2. DEFINITIONS

ESG means Environmental, Social and Governance

NZPM means NZPM Co-operative Limited and its subsidiaries (Plumbing World Limited, Metrix Imports Limited and NZPM Properties Limited)

3. SCOPE

This is an NZPM policy which applies to all entities within NZPM and all employees, contractors and representatives within NZPM.

The ESG Policy will be supported by the underlying policies, guidelines, processes and practices that underpin each area of NZPM's environmental, social and governance responsibilities.

It includes all initiatives within the NZPM ESG Summary Graphic (Appendix).

4. GUIDELINES BY AREA OF RESPONSIBILITY

Environmental Responsibility:

- We will give preference to suppliers who share and products which support our commitment to environmentally sustainable and ethical sourcing practices.
- We will seek opportunities to recycle responsibly, conserve energy and minimize waste.
- We will encourage our suppliers and customers to operate consistently with this policy including reducing packaging waste, using recyclable materials, reducing carbon emissions, etc.
- We will reduce our carbon footprint by adopting environmentally friendly products, technologies, processes and practices.

- We will plan for the business to transition into a low emissions economy including a focus on business adaptation and resilience.
- We will uphold a continuous improvement approach by setting an Annual Environmental and Social Responsibility Plan with focus initiatives consistent with this policy and regularly review our progress and identify further improvement opportunities.
- We will provide our people and wider stakeholders with the learning, support and tools to empower and encourage them to make environmentally friendly choices.

Social Responsibility

- We will protect the health, safety and wellbeing of our employees by providing a safe working environment and promoting safe work practices and health and safety awareness.
- We will maintain a culture that promotes and values diversity and inclusiveness at all levels to ensure our people feel safe and valued in the working environment.
- We will not contribute to the violation of human rights including modern slavery in any country.
- We will invest in the learning and development of our people and create equal opportunities for our people to thrive.
- We will actively engage with and make positive contributions to our communities.

Governance Responsibility

- We will govern our co-operative in the highest standards of integrity and ethics and strive to align our practices with best practice.
- We will comply with all applicable laws and regulations.
- We will review and oversee the implementation of our underlying internal policies to support the sustainability of our processes and practices in accordance with ESG principals.
- We will continually identify, assess and monitor risks that may materially impact NZPM.
- We will govern the development, implementation and monitoring of our strategic plans to ensure our ESG policy is integrated into our strategic plan and decision making.
- We will increase transparency through reporting accurate information to stakeholders on our ESG performance.

5. RELATED DOCUMENTS

- NZPM Board Charter
- Director Code of Ethics
- Managements Code of Conduct and Ethics
- Shareholder Code of Conduct and Ethics
- Diversity Policy
- Harassment and Discrimination Policy
- Health and Safety Policy
- Modern Slavery Policy
- Protected Disclosures (Whistleblowers) Policy
- Privacy Policy
- Annual Environmental and Social Responsibility Plan

6. POLICY APPROVAL AND REVIEW

Policy Owner: Chief Financial Officer

Reviewed by: Compliance Committee – 21 November 2023

Approved by: NZPM Board – 23 November 2023

Next Review Date – November 2026

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APPENDIX

