

Connector

News and views from the co-operative.

June 2024

In this issue: Director's point of view from John Leen
PW Does Dublin | Metrix Update | Young Plumber of the Year
TravelPoints Rewards Programme

60 YEARS

Celebrating 60 Years of our
NZPM co-operative



Chair's update

To all our members — welcome to the June 2024 edition of the Connector.

Andrew and I have just returned from the Pearlers of Port Douglas trip. It was a really fantastic time, and we thoroughly enjoyed ourselves. The very generous support provided by our suppliers was greatly appreciated. The team pulled together a full schedule of daytime activities and evening events. Apparently, I was very close to being chosen to kiss a cane toad as part of the evening entertainment – but thanks to Barbara Kidd (Rob's wife) I was spared that duty!

With 214 of us on the trip, including the PW and NZPM team members, and our suppliers, it was a great way to meet many of you for the first time, and I really valued our wide-ranging conversations over the five days we had together. It was the first trip for almost 50% of the group, and everyone I spoke to was keen to attend the next event.

The exciting announcement on the final night of Dublin as the location for our trip in 2026 was extremely well received! Amazingly, one of the shareholders attending the Port Douglas trip is a highly skilled Irish dancer, and gave in to the pressure to dance for us all. In the lead up to the announcement a sweepstake was held to guess the location, which was a lot of fun. Five people shared the proceeds by choosing Paris and Milan (the geographically closest destinations to Dublin), and everyone agreed to donate the \$920 raised to the Child Cancer and Bowel Cancer charities.

The 2024 NZPM Shareholder Road Show began on 10 June. Rob and I started in Wellington and will be visiting 12 locations around the country over a six-week period. I encourage you to attend these sessions and look forward to meeting up with you.

We also invite all our shareholders to our Annual Meeting in Wellington on Friday 16 August. The meeting will be followed by a shareholder dinner to celebrate our 60th Anniversary and is another great opportunity for our members to spend time together.

We will soon be issuing our annual call for elected directors for the NZPM Board. Both Craig McCord and John Leen are retiring by rotation and are offering themselves for re-election.

As I raised in my June 2023 Connector article, the October and December 2022 Connectors outlined some pertinent views for shareholders and potential director candidates to consider when electing new directors.

In summary, the articles recommend that prospective directors should carefully consider their readiness for a director role on the NZPM board before standing for election. Some key matters to think about include governance training and education; governance experience through the NZPM Future Governance Programme and other organisations; level of financial literacy including international financial reporting standards (IFRS); and sufficient time/capacity to commit to fulfilling director duties. In this rapidly developing technology world, it is also very important for directors to be well informed on other matters including IT (Information Technology), Artificial Intelligence (AI) and Cyber Security.

The stable governance of NZPM continues to be an important element of our ability to traverse difficult trading conditions and plan for the future. As your Chair, I am very grateful to be working alongside my fellow directors, who bring both experience and stability to the team during this cycle of tougher market conditions and help NZPM to continue delivering sustainable shareholder value.

Kind Regards,

Kathy Meads
NZPM Chair



CEO update

As Kathy mentioned in her article, everyone who attended the Pearlers of Port Douglas trip had a fantastic time, experienced things very difficult to do outside a PW overseas trip including the gala dinner in a rain forest, enjoyed the camaraderie that comes with these events and were introduced to Irish dancing by one of our very talented shareholders in preparation for what will be an exceptional 2026 trip to Dublin.

We all know the market conditions continue to be challenging and are likely to stay that way for the next twelve months.

As a company, we have relatively high fixed costs (property, vehicles, technology, people), all designed to provide the very best service we can to our shareholders and customers.

Plumbing World and Metrix are working hard on every possible sales opportunity to help offset the impact of the market conditions and so it's pleasing to see new customers and more share of wallet being secured from across the country, enabling NZPM, two months into the new financial year, to be holding what I believe is a strong market position.

We will continue to manage our costs well, make appropriate adjustments as we need to and help ensure the co-operative remains strong during these challenging times.

The best way shareholders can help is to continue giving us more of your business. That enables PW

and Metrix to continue giving great service, helps offset our cost base and means we can continue delivering sustainable shareholder value.

We continue with our Microsoft Dynamics 365 technology project which will enable greater customer connectivity through its integration with pwGO, provide better reporting for the business and improve, over time, our efficiencies and productivity.

We are currently working through several software adjustments before entering the third and final stage of testing, currently scheduled to start in late July. On completion of the final testing, we are working towards rolling out the Finance, Distribution Centre, Metrix and three pilot branches (in Auckland) in late September with the country wide go live occurring region by region through October and November.

I also want to remind you that in September 2025 (possibly extended to May 2026) lead will no longer be permitted in any plumbing product (front of wall or back of wall) in New Zealand.

Plumbing World and Metrix are working with their suppliers to help facilitate a smooth transition to lead free products and I suggest all shareholders start to plan to reduce your use of lead containing product now with a view to eliminating it from your stocks and installations by this time next year.

If you have any questions about lead free product in NZ, please contact Master Plumbers or your local Plumbing World representative.

I look forward to catching up with many of you during the June and July roadshows and of course the Annual Meeting in Wellington. Along with the formal part of the meeting we will be having a night of celebrating the NZPM co-operative turning 60 years and it would be great to see as many of you as possible join us for that.

Thank you for your continued support of our great co-operative and we look forward to working with you in the weeks, months, and years ahead.

Regards,

Rob Kidd
NZPM CEO

NZPM Annual Meeting - Register now!

Friday 16th August 2024, Wellington

- The 2024 AGM will be held on Friday 16th August, at Rydges Wellington, 75 Featherston Street, starting at 4.30pm.
- Shareholders will once again be able to meet with the Directors, Executives, and fellow Shareholders to review the company's performance, strategy and celebrate our 60-year anniversary of the NZPM Co-operative. Visit nzpm.co.nz/events to register.





Director's point of view

Here we are in June already, with the last twelve months being pretty difficult from a market perspective and the next twelve looking just as hard, it's timely to reflect and review where we are at.

As Chair of the Compliance Committee, we are taking some time to critically review our risks at NZPM in more detail. We think this is a good time to take stock of what we are doing so that we fully understand our risks and ensure that our actions are appropriate to reduce our exposure to any negative impacts. We have asked each of the five board committees to work with the management team and spend some time looking at the individual items that make up our overall risk register to ensure we are doing the right things to mitigate and manage our potential NZPM risks.

As the market continues to soften it's a good time for our customers and shareholders to reflect and review whether your businesses are doing the right things to manage your risks.

As most of you will be utilising accounting software packages, there will be a "reporting" function, that gives you access to plenty of information and data on how your business is performing. Delve into these reports and ask your accountant to help you analyse this information. Remember, you enter the information into your software, and your accountant is there to help and advise you on what that information is telling you.

At JLP, we get monthly reports from our accounting package, and we meet quarterly with our accountant. We ask them for their opinion. What are we doing well? What is not working so well? What and when should we react?

Here are some things that I think you should keep in mind when things get a little tough; stick to your knitting; do what you're good at; consider opportunities carefully; keep up with your paperwork; keep on top of variations; make sure you are invoicing everything; pay someone to chase up your debtors; don't extend credit; and manage your purchasing carefully.

If you have an issue, whatever it is, talk to someone — try your peer group, get professional advice; you will find that there are people and organisations that can help, including NZPM and Master Plumbers who have resources or can help find specialist advice.

Finally, as Kathy mentions in her article, both Craig McCord and I are retiring by rotation and are offering ourselves for re-election. We would both appreciate your support for re-election to provide stability to the governance of NZPM.

All the best,

John Leen
Board Director

PW does Dublin

It is with great pleasure that we announce that our 21st overseas trip in 2026 will be to the vibrant and historical city of Dublin, Ireland.

Dublin is a warm and welcoming city rich in traditions and history. Known for the friendliness of its people and famous for its humour and intelligence which has attracted writers, intellectuals, and visitors for centuries. It's a city of musicians and poets whose songs and stories flood the bustling streets. Also renowned for its castles, and of course Guinness!

We will be staying at the 5-star luxury Conrad Hotel perfectly located in the heart of the city centre, surrounded by compelling landmarks, with endless shops and pubs nearby. Dublin will be an amazing experience like no other.

We can't wait for you to join us in 2026 and we look forward to continuing to show you the world, Plumbing World style.

REGISTER NOW TO WIN! Shareholders who register before the end of June 2024 will go into the draw to win a bonus 5,000 Max/TravelPoints to kickstart their Dublin 2026 experience.

We invite you to talk to your local Plumbing World Branch Manager about registering for our 'PW Does Dublin' overseas trip. Alternatively for further information contact Michelle Bingham at Plumbing World Support Office on 06 350 1636 or michelle.bingham@plumbingworld.co.nz or visit our NZPM website via the QR code below.





Metrix update

A recent visit to the Salone del Mobile fair in Milan, Italy proved informative and inspirational.

The Salone del Mobile is an annual furniture fair held in Milan, Italy. It is considered one of the most prestigious events in the design industry, showcasing the latest trends and innovations in furniture, bathroom, kitchen & interior design.

Salone Del Mobile is not only a trade show but also a platform for networking, collaboration, and inspiration within the design community. It offers a unique opportunity for professionals to connect, exchange ideas and discover new trends in the industry. A number of Metrix's key suppliers were exhibiting which gave a great opportunity to re-connect as well as look at emerging innovation.

The dedicated bathroom product halls, known as Salone del Bagno showcased the latest trends and innovations in bathroom design, including

fixtures, fittings, furniture, and technologies. In recent years, as seen at the fair there has been a growing emphasis on sustainability, wellness, and smart technology. Within the Metrix portfolio the Effe brand is an Italian company that specialises in the production of high-quality saunas and wellness products. Effe offers traditional saunas, infra-red saunas, steam rooms using Canadian red cedar and Nordic spruce that are not only aesthetically pleasing but durable and long lasting. In our Parnell showroom we have their Sauna and Steam shower unit which we have already supplied into residential projects including a super yacht.

We are currently exploring some exciting opportunities as a result of the fair and look forward to launching those to Shareholders very soon.

Regards,

Karin Cunningham
General Manager — Metrix



Shareholder loyalty



Social Responsibility

Bowel Cancer New Zealand

100 people die of bowel cancer, and 250 are diagnosed every month in Aotearoa. BCNZ's campaign in June will be raising money for awareness and education programmes, funding free patient support services, and research & advocacy to influence the long-term survival of bowel cancer patients.

Plumbing World is proud to support the campaign by donating \$5 for every LeVivi back to wall suite

sold during June. We are also donating 4 LeVivi toilet suites to Radio Hauraki for them to auction on the 26th of June. You can donate to this worthy cause in store at PW, by scanning the QR code below or visit bowelcancernz.org.nz/awareness-month to learn more and take action.



Young Plumber of the Year 2024

The 2024 Plumbing World Young Plumber of the Year branch events have just concluded seeing over 270 competitors nationwide put their skills to the test.

Our suppliers have enjoyed the opportunity to meet and recognise new talent, promote high standards and instill pride in the trade. Competitors have had a great time with the theory and practical tests, learning and networking during the process and are thrilled with the prizes on offer.

A big thanks to you, the employers, for getting behind this initiative and recognising its importance for the industry and country as a whole. We need to nurture talent to ensure a better plumbed New Zealand and the 'Young Plumber of The Year' is the place to solidify this.

As a result we hope to see more tradespeople shopping with Plumbing World and contributing to the economy.

Next, the top scoring 80 competitors will come together to compete in the Regional Finals, kicking off in Wanaka on 13th August and make their way up the country finishing in Auckland on 5th September. Only 10 will make it through to the National Final in November. We welcome you to come along to any of the Regional Finals listed below.

If you have any questions, please don't hesitate to ask your local branch manager, or contact us at ypc@plumbingworld.co.nz

plumbingworld
YOUNG PLUMBER
of the year

REGIONAL EVENTS

| DATE | REGION | VENUE | EVENT ADDRESS | TIME |
|-----------------------------|------------------------|-----------------------------------------|------------------------------------------------|-----------------|
| Tuesday, 13 August 2024 | Southern | Wanaka Community Hub | 34 McDougall Street, Wānaka | 5:30pm – 8:30pm |
| Thursday, 15 August 2024 | Canterbury/West Coast | Christchurch Town Hall | Avon Room, 86 Kilmore Street, Christchurch | 5:30pm – 8:30pm |
| Tuesday, 20 August 2024 | Wellington/Marlborough | Wellington College Theatre | 15 Dufferin Street, Mount Victoria, Wellington | 5:30pm – 8:30pm |
| Wednesday, 21 August 2024 | Lower North Island | Awapuni Racecourse, Terrace Lounge | 67 Racecourse Road, Palmerston North | 5:30pm – 8:30pm |
| Tuesday, 27 August 2024 | BOP/Central Plateau | Mercury Baypark, Stadium Lounge | 81 Truman Lane, Mount Maunganui | 5:30pm – 8:30pm |
| Wednesday, 28 August 2024 | Waikato/King Country | Hamilton Working Mens Club, Pavillion | 45 Commerce Street, Frankton, Hamilton | 5:30pm – 8:30pm |
| Wednesday, 4 September 2024 | Northern | North Harbour Stadium | Stadium Drive, Albany, Auckland | 5:30pm – 8:30pm |
| Thursday, 5 September 2024 | Auckland Metro | Due Drop Event Centre, Panasonic Suites | 769 Great South Road, Manukau, Auckland | 5:30pm – 8:30pm |

Totally getting you there

TRAVELPOINTS



TravelPoints rewards programme

Plumbing World want to better recognise and reward our valued and loyal NZPM Shareholder trade customers. TravelPoints offer a unique opportunity to earn exclusive travel rewards for Plumbing World's Overseas Trips Programme. We have visited most corners of the globe, and in the coming years plan to visit many more fantastic destinations, such as Dublin in 2026.

All NZPM Shareholders are eligible to register for the TravelPoints programme. Registration is FREE and the TravelPoints programme is essentially managed through the MaxPoints website. You choose if you now want to earn MaxPoints or TravelPoints.

Programme criteria include:

- One TravelPoint is earned for every \$90 excl GST spent on eligible purchases (compared to the current one MaxPoint for every \$100 excl GST spent).
- TravelPoints are just like MaxPoints — earned throughout the year based on total qualifying Plumbing World monthly account spend and awarded in the first week following the end of the month.

- Minimum \$1,000 excl GST monthly spend level threshold (before points earned).
- Plumbing World account(s) must be current/within terms of trade to be eligible for TravelPoints.
- TravelPoints have a six year expiry date and can be redeemed for a Plumbing World Overseas Trip Programme destination – register now for Dublin 2026.
- Members can opt into the programme either fully or 50/50 split (MaxPoints/TravelPoints).
- MaxPoints can only be converted into TravelPoints — one way conversion only. Members cannot convert TravelPoints to MaxPoints.

TravelPoints represents another facet to Plumbing World's ongoing commitment to supporting and rewarding our valued shareholders. We believe in memorable travel experiences. TravelPoints provides an easier way to attend Plumbing World's Overseas Trips Programme, where fostering camaraderie, unique experiences and networking opportunities is the focus.

The MaxPoints 'Member Care Team' are on call to help all members with reward and order queries and enquiries.

0800 221 202 | info@maxpoints.co.nz
maxpoints.co.nz Register at nzpm.co.nz/travelpoints

