



A Message —— From Our Board Chairman and CEO

The need for businesses in Aotearoa New Zealand, to be connected to, and act against the impact of climate change and at the same time operate sustainably in everything they do, has never been more important than today.

products.

In 2020 our group of companies made a commitment to sustainability, which means critically analysing everything we do and embracing innovation in technology and equipment. This promise aligns perfectly with our core purpose of "Changing People's Lives, One Business at a Time".

Our approach is helping to achieve a safer, healthier, and more sustainable environment for our franchisees, staff, clients, business partners and the planet we call home.

By embracing sustainable practices in our businesses, we understand the significance of introducing innovative eco-friendly cleaning products, focusing on our staff's mental health and well-being at work, and building a sustainable chain of suppliers.

nably in everything they
than today.

The group of companies is on a journey to develop better sustainable business practices continuously. As such, we

We have introduced increasingly paperless offices, actively recruited for diversity, introduced hybrid vehicles to replace the existing fleet, used recyclable containers, commenced mental health initiatives, and used smarter site visit schedules.

have chosen to walk away from using harsh chemicals where

possible and opt for probiotic-based. Eco-Benign® cleaning

At the heart of our amazing franchising business is the drive to create opportunities for individuals and families from diverse backgrounds and to provide them opportunities for business ownership whilst empowering social development within their communities.





Greg Allnutt, MNZM Chairman



Nick James Chief Executive Officer

This plan seeks to focus, enhance, and continue those efforts in a purposeful way that creates repeatable, sustainable practices leading to the consistency of approach and results.

As a socially responsible business, we aim to continue to grow sustainably by limiting our operations' impact on the environments in which we operate.

Our goal is to continue to be a great company, doing great things for the people we come into contact with and the environments where we work.



Our — Approach

The Sustainable Property
Services Group is on a journey of
developing sustainable business
practices, recognising it is a
necessary business commitment
and a key part of our competitive
advantage.

While we are early on our journey, to date we have:

- introduced paperless offices,
- actively recruited for diversity,
- introduced hybrid cars to replace the existing fleet,
- used recyclable containers,
- commenced mental health initiatives,
- and used smarter site visit schedules.

At the heart of our franchising business is the ability to elevate those less likely to have business ownership and empower social development in communities. This plan seeks to focus, enhance, and continue those efforts in a purposeful way that creates repeatable sustainable practices, with consistency of approach.

Sustainability will inform our policy development and decision making. We will find balance in being a sustainable, profitable business, while connecting with our planet, connecting with our people, connecting with our partners and community.

Our goals, initiatives and measures will align with and contribute to the United Nations Sustainability Development Goals (UNSDGs). The result will be: we are doing good business, by doing good for the planet and its people.

Materiality

Materiality assessment is the process of identifying, refining, and assessing numerous potential environmental, social and governance issues that could affect our business and/or iis of most importance to our stakeholders. It incorporates and prioritises the views our stakeholders, such as our shareholders, suppliers, employees, customers, franchisees, and community, and extends the materiality assessment beyond our operations and across our value chain. Stakeholder priorities are constantly changing, and we will continually evolve to meet expectations.

Conducting a thorough materiality assessment helps us identify and prioritise the issues that matter most to our business and stakeholders, and then determine potential initiatives to commence mitigating or eliminating these risks or issues.

We have tailored our initiatives and activities based on the results of the assessment. From this, we have grouped the industries into the sustainability themes of People & Culture; Our Planet & the Environment; Our Community & Partners; and, Responsible Consumption, Waste & the Efficiency of Operations.



United Nations Sustainability Development Goals (UNSDGs)

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future.

At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries — developed and developing — in a global partnership.

JKNZ has used these and the sub-goal targets to help focus and guide our sustainability efforts. While we may only be a minor player in the scale of the challenge, we want to play a meaningful part in contributing to the global goals. Each of our sustainability themes is linked to a number of UNSDGs.

Our

People & Culture

We are a values-based, purposeful business that seeks to change lives and ensure healthy buildings for families and businesses.

We recognise that we can be a change agent to contribute toward reducing social inequality in New Zealand. Polling shows that New Zealanders have consistently rated inequality as the country's most significant issue since 2014. Over 80 per cent of the country say they are concerned or very concerned about income and wealth imbalances at the base of social inequality.

We always have, and continue to be, committed to impacting our staff's health, safety and wellness, providing access to training and education, and valuing and empowering our diverse staff and franchisee community.

We seek to support future generations of business owners who may otherwise find it difficult to access entrepreneurial opportunities, such as immigrants and physically challenged, and to maximise their opportunities to create a legacy as business owners and gain access to a higher quality of life.

Over 80 per cent of New Zealanders say they are concerned or very concerned about income and wealth imbalances at the base of social inequality.



Our target

To have created access to entrepreneurship and training for 600 diverse people and their families.



80%

Our Diversity

More than 30 different nationalities working together. Proudly supporting gender and other equality rights.





Our Planet & the Environment

CO₂ Emissions in New Zealand's transport emissions are the fastest-growing source of greenhouse gas emissions in New Zealand.

They account for 21% of all the emissions we produce. Nearly 70% of all transport emissions are from cars, SUVs, utes, vans and light trucks (Ministry of Transport, 2021), encapsulating our group fleet.

Whilst many issues impact the water quality in NZ, the use of chemicals, such as detergents, cleaners and petroleum-based chemicals, introduce contaminants in water sources.

Traditional cleaning products affect different aspects of our lives:

- Human health (especially the cleaners' health)
- Environmental health (the primary government focus on legal discharge).
- Asset longevity (Oxidisers and bleaches quickly deteriorate client assets, accelerating the need for replacement and thus filling up the landfill).

Therefore, we have adopted sustainable cleaning practices with eco-benign probiotic-based cleaning products.



To be Toitu Carbon Zero certified by 2025



Emissions/km travelled reduced by 50%



Energy consumption / sqm reduced by 25%



Introducing Eco-Benign Cleaning Products

A growing number of studies have identified cleaners as a group at risk for adverse health effects on the skin and the respiratory tract. Chemical substances present in cleaning products could be responsible for these effects. Currently, only limited information about irritants and health-hazardous chemical substances in cleaning products is available.



90% of our cleaning products are environmentally friendly.



Our eco-benign cleaning products cause no harm to the environment.

Our Group of Companies seeks to influence sustainable business practices across our industry value chain. We will strive to do this by influencing, through our choices and actions, the selection of key partners, including both product and service suppliers, based on their values, attitudes, and sustainable practices.

In doing this, we will empower and support business leaders to act and recognise impactful initiatives while giving back to our community to make a positive and tangible difference.



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"Changing people's lives, one business at a time" is a core driver behind our business. We create and nurture a social benefit through our partnerships and interactions with franchisees and staff and by providing business opportunities to grow personally and professionally.

We will focus on prioritising those suppliers and partners who share our sustainability values; like-minded New Zealand and international businesses who seek to connect through the application of sustainability initiatives and positively contribute to a greener future. We will continuously re-evaluate our supply chains to achieve sustainability and support local businesses, adding value to our partnerships and sustainable choices.

Our Group prides itself on the diversity of our staff and franchisees. We look to celebrate the multiple nationalities and cultures represented within the company. We proactively look to connect and support those communities through charitable donations and other initiatives. An example of this would be that during the Covid-19 crisis, mindful of how many of our franchisees have families in India, we donated to India NZ Business Council, securing batches of oxygen concentrators to support the people who needed them most.

The well-being of our team members is a business priority. We continuously strive to provide a working environment that encourages staff to work safely and productively. This includes providing medical insurance for all staff, delivering both in-house and external training and development, offering mental wellness support, including membership in the Employee Assistance Programme and introducing monthly mental health and wellness initiatives.

Modern —

Slavery & Human Rights

Our Group of companies is committed to integrity and fairness in how we relate to each other, our customers, franchisees and business partners. Upholding human rights is a vital part of that commitment. Our Human Rights policy sets out the principles which guide our practices impacting human rights.

We support the intent of the UN Guiding Principles on Business and Human Rights, as well as adhere to related international conventions, treaties, and protocols. We are committed to protecting our organisation and workers at risk of modern slavery or human trafficking both:

- in our operations and supply chain; and
- whether those workers are our direct employees, franchisees and their employees, and those who perform work for us via third-party suppliers.

We take a zero-tolerance approach to inaction against modern slavery. Although not included in the definition of modern slavery, we are aware that practices such as substandard working conditions or underpayment of workers can escalate into modern slavery. We, therefore, also do not tolerate the continuation of these practices.

We acknowledge that combatting human rights issues takes a concerted effort. We will continually assess and improve how we reduce the risk of modern slavery practices within our supply chains and operations.



Workers Equality

All workers must be treated fairly and without unlawful discrimination. No worker will be treated any less favourably than others.



Humane Treatment

The workplace must be free of any form of harsh or inhumane treatment. Threats of physical or sexual violence, harassment, and intimidation against a worker are strictly prohibited.



Supporting our commitment to sustainable business operation, a safe workplace and a healthy environment, our Group of companies has been seeking evaluation of our current Health and Safety and Environmental Management systems through external certification bodies.

Jani-King NZ is now Toitu enviromark® gold and ISO 45001:2018 Occupational Health and Safety certified. It is on NorthStar's priority list for 2022 to seek those certifications.

We are proud to take science-based action to sustain the life of this place, our people and our future. We are part of a like-minded community of over 400 organisations taking action for a better environment. Toitu enviromark

programme requirements meet and exceed international standards and best practices, including ISO 14001.

Our health and safety management system has been assessed and approved by QAS International against the ISO 45001:2018 Occupational Health and Safety standard. Our proprietary health and safety tools and apps improve the safety and effectiveness of cleaning staff at client sites.

Through the Jani-King Health & Safety App, our franchisees record cleaning commitments, staff onsite, and inform us of any health and safety-related issues. Our clients can opt-in to receive a notification email every time the cleaning team arrives on site. This shows transparency in our operation and gives you peace of mind.



Reponsible

Consumption, Waste & Efficiency of Operations

Responsible consumption extends from basic practices of innovative office supply procurement, stock holdings, paper usage, power consumption, and limiting waste and recycling, through to utilising alternate products, recycling and refilling containers, to larger-scale construction site waste, re-use or recycling.

Each home constructed generates an average of four tonnes of waste. An Auckland study found that construction waste by weight is made up of timber (20%), plasterboard (13%), packaging (5%), metal (5%) and others (45%). While this may not reflect Northstar's type of construction operation, it indicates where the impact could be made.



Our targets



To have reused/ recycled 80% of our GIB and timber products



To have reused/ repurposed 30% of site products e.g. cabinetry, doors, etc



Energy consumption/ sqm reduced by 25%

Sustainability Initiatives Matrix

Sustainability themes	Our target	Initiatives
Our people & culture	Created access to entrepreneurship and training for 600 diverse people and their families	 Move to living wage Invest in youth & diversity career pathways Re-training in sustainability and operations Create new franchising business types/options
Our planet & the environment	90% of our cleaning products are environmentally friendly	 To select green products Implement 'Docu-sign' to save paper for us and clients Recyclable and refillable containers
	Carbon zero by 2025 Emissions/km travelled reduced by 50%	 Smart travel for staff daily and national travel, using offset tools Smart travel for BDM and leverage technology Utilise robotics for site cleans Carbon offset via tree planting Hybrid fleet transition for all vehicles Enable Franchisees to access branded hybrid vehicles Purchase key stock levels to reduce freight
Our partners & community	To have selected ad influenced our operating partners to sustainable practices	 Procurement decision making process to consider water, energy consumption, life cycle and cost Focus community sponsorship activities to sustainability and social outcomes. Partnering with sustainable supplier/values based
Responsible consumption, waste & the efficiency of operations	To have re-used/recycled 80% of our GIB and timber products	 Introduce BinsRus recycle programme at NorthStar Head office and Carpentry Reuse site waste through Green Gorilla flexibin waste management programme
	To have reused/repurposed 30% of site products (e.g. cabinetry, doors etc)	 Reuse and repurpose cabinetry and doors Include sustainability product replacement options
	Energy consumption/sqm reduced by 25%	Electricity consumption reduction via LED lighting replacement & management of A/C



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