

Re-think

An aerial, top-down view of a modern building's interior. The space is characterized by curved, light-colored walkways and a large, vibrant green tree on the right side. Several people are seen walking along the paths, providing a sense of scale. The lighting is soft and even, highlighting the architectural details.

Building on the past,
looking to the future.

OFFICEMAX NEW ZEALAND

Sustainability Report

2021

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Front cover:

Artist's impression of a modern urban park design.

ABOUT THIS REPORT

Welcome to OfficeMax New Zealand's fifth annual sustainability report, which follows on from our 2020 report and seeks to communicate the economic, social and governance impacts of its operations to its stakeholders.

The report covers the operations of OfficeMax New Zealand Limited, for the period January 1, 2021, to December 31, 2021.

The report focuses on the sales and distribution of locally sourced and imported products to New Zealand but does not extend to the supply chain

of that imported product. Progress continues to capture relevant supply chain information for future inclusion.

The organisational boundaries include the importation of product to OfficeMax's head office in Highbrook, Auckland and all domestic operations related to the business.

This report has been prepared with reference to the GRI Standards: Core option. A table of GRI index references can be found on page 49.



ABOUT OFFICEMAX NEW ZEALAND

OfficeMax New Zealand Limited is owned by Platinum Equity, a US based private equity firm with a global portfolio of companies across diverse industries.

OfficeMax New Zealand traces its roots back to 1871 with the establishment of Coulls Somerville Wilkie, a printing and publishing company. Through various changes of ownership, mergers and acquisitions, the company has honed its business and school supplies focus and grew its national network.

In New Zealand, OfficeMax has distribution centres in Auckland and Christchurch, showrooms in Auckland, Wellington, and Christchurch and a sales

team across the country. OfficeMax is a progressive provider of workplace solutions, and services, its product range extends to more than 35,000 stocked products.

We serve over 33,000 regular account customers across New Zealand in a range of ways. Adapted to suit the markets they operate in, OfficeMax's dedicated account managers and product specialists support businesses of all sizes, schools and families throughout the country. Orders are taken online, by phone or email. OfficeMax's account team and transport partners provide highly reliable, extensive national delivery.

OUR PARTNERS

We are members of the Sustainable Business Council and the Packaging Council NZ. These organisations enable us to benchmark and continuously improve our services, standards, and expertise and to collaborate with others on solutions that will enable our collective industry and sustainability goals.



A MESSAGE FROM OUR MD

Kia ora and welcome

OfficeMax New Zealand continues to deliver on its 2025 Sustainability Strategy with FY21 seeing significant progress on many fronts, despite a turbulent and complex business environment brought on by the continued impact of the COVID-19 pandemic.

While much has been achieved against our strategy in a relatively short time, 2021 was not without its challenges. This has been a year full of learning, full of opportunity and full of a sense of culture and people wanting to be part of a solution, and that's how I'll look back on the last 12 months.

It may not have been a "business-as-usual" year, but it did not dampen our vision to empower sustainable and successful workplaces.

We recount in this report the efforts we went to in order to support and protect our staff and I am extremely proud of the resilience our people

displayed and the action taken by everyone to keep each other safe whilst ensuring our customers continued to be supplied with the products they needed.

The impact of COVID-19 restrictions on our most vulnerable communities was clear and became an area that we could collectively help. The value of our community investment increased considerably by over \$1 million from previous years and reflects the efforts to support local businesses and groups.

Following the closure of our 15 retail stores in 2020, I was delighted to see the completion of our three state-of-the-art customer experience showrooms in Auckland, Wellington, and Christchurch. The showrooms have been a significant investment and a key sustainability focus this year, with the intention of showing customers our increasingly people and planet conscious options.





Our showrooms have become a focal point for bringing together customers and suppliers, innovators, and social enterprises in a way that we have not previously been able to. The connections made are significant and valuable in supporting our partners in business and sustainability.

An extension of this investment has been about building new relationships with a number of social enterprises whose products we now sell and promote to customers, and we are looking forward to developing these relationships further.

OfficeMax's Distribution Centres are the cornerstone of our business and were also a focus of growth and change. We proudly commissioned our new Christchurch Distribution Centre located in Rolleston and extended our Auckland Distribution Centre in Highbrook. Both projects are detailed

on page 28 of this report.

The Auckland Distribution Centre, head office and showroom also benefited from the newly commissioned solar array, a key milestone in our efforts to decarbonise our operations and an initiative we will be looking to extend in the future (more on page 41).

2021 was an important year for embedding and formalising the sustainability practices outlined in our 2025 Sustainability Strategy including the establishment of a people-led Sustainability Governance Group and our new, annual business Objectives, Goals, Strategy and Measures (OGSM) plans. The OGSMs helped us to clearly articulate our strategy and progress to our stakeholders and owners, Platinum Equity, who in have in turn helped us to instigate an Environment, Social and Governance (ESG) monthly reporting process – an initiative across all their portfolio companies.

While significant carbon reductions have been made and outlined later in this report, the pandemic does skew the progress we've made. This year, once again, we did not undertake overseas travel, we reduced our fleet use and visits to customers, we reduced time in the office, and we exited leases

from our closed retail stores; all of which significantly reduced our carbon emissions. We will need to closely monitor progress over the next four years to ensure we have a realistic baseline and minimise rebound.

Our well-established partnership with All Heart NZ continued to evolve with joint initiatives during lockdowns and the continuation of product and furniture distribution. Our partnership remains a crucial element to our circular economy goals. We also continued work with Amotai to develop a business database of Māori and Pacifica owned businesses to support and service our operations.


As we head into the second year of our 2025 Sustainability Strategy the value of collaborations and partnerships such as these will become increasingly important – as will the combined efforts of our people and our customers. We are proud of our journey, and we are looking forward to contributing to a more sustainable planet.

Kevin Obern



\$33,110
MAX E-GRANTS PROVIDED IN 2021
> \$1.1 million
OVER THE PAST DECADE

18T
OF PLASTIC PACKAGING REMOVED FROM OFFICEMAX PRODUCTS IN 2021.



15,337
CHILDREN HELPED THROUGH 0800 WHAT'S UP, A PHONE COUNSELLING HELPLINE WE SPONSOR




\$675,918
SCHOOL REWARDS PROVIDED IN 2021
OVER \$8 MILLION IN THE PAST 14 YEARS

\$2,350,038
COMMUNITY INVESTMENT REPRESENTING >2% GROSS PROFIT



26%
REDUCTION IN OUR TOTAL RECORDABLE INJURY FREQUENCY RATE



26%
REDUCTION IN OUR SCOPE 1 AND 2 GREENHOUSE GAS EMISSIONS

NPS 50
OUR NET PROMOTER SCORE
(NPS 30 = INDUSTRY STANDARD)



25%
OF OUR Highbrook ELECTRICITY NEEDS GENERATED FROM SOLAR

55
SOCIAL COMPLIANCE AUDITS COMPLETED ON OWN BRAND SUPPLIERS



88,000kg
FURNITURE AND UNSALEABLE STOCK DIVERTED FROM LANDFILL



10 YEARS
CERTIFIED TO ISO 14001

WHAT WE DEPEND ON

Our people

Over 530 talented people give their skills and time in OfficeMax offices and warehouses across New Zealand – increasingly working in more flexible ways.

Our suppliers

Over 530 suppliers source over 34,000 products and provide critical services to workplaces.

Our partners

Our relationships with the New Zealand government, customers, NGOs, and community partners help us to continue to evolve and to increase our impact beyond our own doorstep.

Our products

The products we source use large volumes of raw and recycled materials in their production, packaging, and shipment to New Zealand. 92%* of our product purchases are from suppliers based in New Zealand.

Our financial resources

Capital from our owner enables us to invest for the future.

Our tangible assets

We occupy two modern, semi-automated Distribution Centres, operate three customer showrooms and office accommodation at multiple sites across New Zealand.

Our intangible assets

The strength of our culture, brand, and reputation, as a company that New Zealanders have entrusted to enable their workplaces for over 150 years.

* Calculated on NZ dollar value of 2021 OfficeMax purchases from NZ based suppliers.

WHAT WE DO

1. Customer insights

Our direct relationships with over 33,000 commercial and education entities enable us to fully understand their broad needs and develop comprehensive industry specific insights and unique customer profiles.

2. Innovative customer solutions

We use these insights to think outside the square, anticipate needs and develop innovative product and service solutions so that our customers can focus on what is most important to them.

3. Sourcing

We source 82% of our OfficeMax branded product from over 85 factories across 14 countries. Our sustainable supply chain practices support the integration of environmental, social and governance practices.

4. Logistics

Products are shipped to our warehouses in Auckland and Christchurch, where they are packed according to our customer needs.

We consider packaging type, weight, and volume to enable more sustainable freighting and disposal options for packaging.

8. Customer use

Hundreds of thousands of end users, in business, in schools and in homes, use our products to enable their workplace.

Our sustainable product lines and packaging recovery services enable our customers' own sustainability journey.

7. Distribution

Our products are freighted to approximately 215,000 delivery points.

We optimise our freight planning to enable efficiency for our customers, our business, and the environment.

6. Sales

We sell over 34,000 products directly through our dedicated Customer Care Centre, Help Desk and online platforms.

5. Marketing

Our products and services are marketed through flyers, catalogues, emails, website, digital marketing, social media, showrooms and more.

VALUE WE CREATE

Our customers

We provide flexible product and service solutions, enabling diverse workplaces across New Zealand.

Our people

We focus on an inclusive, fair workplace and provide our people with opportunities, enabling them to develop and grow their individual capabilities through OfficeMax.

Our community

We're helping thousands of Kiwi families and kids who are 'doing it tough,' through our community partnerships, grants, and rewards programmes.

Our environment

From sourcing to end-of-life, we take action to provide environmental solutions through our value chain, proactively addressing systemic issues such as packaging, plastic, waste, and climate change.

Our economy

We aim to contribute to growing New Zealand's economy responsibly, by growing talent within our business, evolving with our customers, improving environmental outcomes, and delivering strong financial performance

Sustainability governance

Having strong governance means OfficeMax can implement its 2025 Sustainability Strategy effectively, ensure robust reporting processes and manage overall accountability.

Our sustainability governance structure sets out the roles and responsibilities for managing our 2025 Sustainability Strategy.

We regularly monitor and track our performance against this strategy to ensure we are meeting the goals we have set for 2025.

SECRETARIAT

The **Secretariat (Sustainability Specialist)** organises and facilitates the Sustainability Committee, provides strategic support and provides overall monitoring and reporting back to the Sustainability Strategy Sponsor, Executive Group and OfficeMax owners.

STRATEGIC OVERSIGHT

The **OfficeMax owners** have strategic oversight of the Sustainability Strategy, endorsing its direction and goals.

SUSTAINABILITY STRATEGY SPONSOR

The **Sustainability Strategy Sponsor (Managing Director)** is accountable and responsible for the Sustainability Strategy, establishes the strategic direction annual work plan and oversees strategy delivery.

SUSTAINABILITY GOVERNANCE GROUP

The **Sustainability Governance Group** is made up of **15 internal business owners / subject area experts** who are responsible for managing the delivery of initiatives for the strategic work streams. They monitor and report progress on their initiatives to the Secretariat.



Material issues

Last year OfficeMax presented its material issues, assessed collaboratively with our key internal and external stakeholders through interviews, surveys, and workshops. We continue to informally test the relevance of these issues through our employees, our sustainability governance group, customers, sponsorship partners and government agencies. These individuals and entities have been identified as they are either impacted by our activities or have an impact on us. We also compare the initial findings against external publications such as the Kantar Better Futures Report in order to identify changes in priority in our wider society.

In 2021 the five highest scoring materiality issues remained relevant for the business and continue to provide the backbone to our sustainability strategy. However, our materiality assessment was undertaken prior to the first 2020 COVID-19 lockdown. Since the start of the pandemic the health, safety and wellbeing of our employees and communities has become increasingly important. This is reflected in our efforts to support these groups during the year.

The need to increase the digital capability of our employees and customers to facilitate remote working has also highlighted the importance of strong technology solutions and cyber security measures. This has also become a focus for 2021.

- 1. Customer experience**
Provide a positive customer experience by understanding customer needs, listening to customer feedback, and acting upon it to resolve immediate issues and continuously improve their experience. Ensure products are what customers want and provide fast and accurate delivery of products.
- 2. Ethical supply chain**
Ensuring supply chain practices are transparent and traceable, address social, environmental and governance risks and opportunities, such as human rights and labour practices, fair pay, environmental performance, supplier diversity and inclusion.
- 3. Credibility and trust**
Ensuring the reputation of the organisation by demonstrating and maintaining credibility with customers and earning their trust, being transparent and authentic.
- 4. Product stewardship**
Taking responsibility to address the environmental impacts of products, from their sourcing and their packaging through to their disposal.
- 5. Reducing emissions from business operations**
Managing operational environmental impacts stemming from resource use e.g., travel, energy, and waste to help reduce emissions.
- 6. Health, safety and wellbeing**
Protecting and maximising the health, safety and wellbeing (both physical and mental) of OfficeMax employees and our communities.
- 7. Digital and technology capability**
Keeping up to date with accessible, digital platforms for customers, as well as the latest technology for products.



OFFICEMAX 2021 MATERIALITY ASSESSMENT

This table illustrates the internal review of our material topics based on the 2021 context.

Whilst the majority remained consistent with the original assessment - Digital and technology capability, and Health, Safety and Wellbeing became significantly more material in light of the pandemic and changing work conditions.

COMBINED MATERIALITY RANKING	2020 MATERIALITY ASSESSMENT	2021 REVIEW
Customer experience	HIGHLY MATERIAL	→
Ethical supply chain		→
Credibility and trust		→
Product stewardship		→
Reducing emissions from business operations		→
Digital and technology capability	MATERIAL	↑
Conduct and Ethics		→
Health, safety and wellbeing		↑
Cyber and Data Security		↑
Availability of sustainable products and services		↑
Talent		↑
Impact of community investments		↑
Freight efficiency		→
Affordability of products and services		→
Transparency and disclosure		↑
Community Investment and partnerships		→
Diversity and inclusion and employee experience		↑
Financial performance and market position		RELEVANT
Future planning	→	
Environmental, social, governance in investment decisions	→	
Understanding climate risk and opportunities	↑	



KEY

- remains material
- ↑ more material
- ↑ significantly more material

OfficeMax
I was made just for you
We believe in sustainable packaging. This box was made to fit your order, reducing empty space and decreasing the need for packaging cost fill.

2025 Sustainability Strategy

OUR VISION

Empower sustainable and successful workplaces

OUR STRATEGIC PILLARS

FOSTER A SAFE, HEALTHY AND INCLUSIVE SOCIETY

PROVIDE SOLUTIONS FOR A RAPIDLY CHANGING WORLD

DRIVE A LOW CARBON CIRCULAR ECONOMY

OUR GOALS

Support health, safety and resilience
Promote inclusivity and equal opportunity

Provide flexible product and service solutions
Empower the future of work

Improve the environment through our value chain
Support local solutions

OUR HIGHLY MATERIAL ISSUES FOR 2021

- Customer experience
- Credibility and trust
- Ethical supply chain
- Health, safety and wellbeing


- Customer experience
- Credibility and trust
- Product stewardship
- Digital and Technology capability

- Customer experience
- Credibility and trust
- Ethical supply chain
- Reducing our emissions



SUPPORTING THE SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals represent the 17 universal goals which represent an urgent call for action, set out by the United Nations. OfficeMax’s sustainability strategy materially supports 10 of the 17 goals.

 <p>1 NO POVERTY</p>	 <p>3 GOOD HEALTH AND WELLBEING</p>	 <p>4 QUALITY EDUCATION</p>	 <p>5 GENDER EQUALITY</p>	 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>
<p>End poverty in all its forms everywhere</p> <p>Targets: 1.4, 1a</p> <p>Our contributing actions:</p> <ul style="list-style-type: none"> Through our community investment initiatives we play a part in helping the lives of others and especially young New Zealanders who are doing it tough 	<p>Ensure healthy lives and promote well-being for all at all ages</p> <p>Targets: 3.4, 3.d</p> <p>Our contributing actions:</p> <ul style="list-style-type: none"> We support the mental health and wellbeing of our employees through regular workplace programmes and provision of resources We sponsor 0800 What’s Up to provide emotional and mental support to school children We ensure all our facilities and staff are prepared for potential emergency scenarios 	<p>Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</p> <p>Targets: 4.1</p> <p>Our contributing actions:</p> <ul style="list-style-type: none"> Our Max e-Grants programme enables children from all backgrounds to participate fully in school activities Our dedicated learning consultants run professional development workshops with teachers and generate free collateral for schools to deliver the best possible learning outcomes 	<p>Achieve gender equality and empower all women and girls</p> <p>Targets: 5.5</p> <p>Our contributing actions:</p> <ul style="list-style-type: none"> Our strategy includes goals to increase the representation of women on our leadership team 	<p>Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>Targets: 8.2, 8.7, 8.8</p> <p>Our contributing actions:</p> <ul style="list-style-type: none"> Through our strategic pillar of Provide solutions for a rapidly changing world promotes innovation and future planning for a sustainable future Our Social Compliance standard for suppliers focuses on improving work conditions for all employees and promotes basic human rights

SUPPORTING THE SUSTAINABLE DEVELOPMENT GOALS



**INDUSTRY,
INNOVATION AND
INFRASTRUCTURE**

Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation

Targets: 9.3, 9.4

Our contributing actions:

- We actively support local businesses to improve their access to NZ markets
- We work with our suppliers to improve the sustainable credentials of their activities and products



**REDUCED
INEQUALITIES**

Reduce inequality within and among countries

Targets: 10.2, 10.4

Our contributing actions:

- We have committed to attaining the Rainbow Tick certification
- Community investment initiatives focused on support of educational inclusion for all



**RESPONSIBLE
CONSUMPTION
AND PRODUCTION**

Ensure sustainable consumption and production patterns

Targets: 12.2, 12.5, 12.7

Our contributing actions:

- Development of a draft Responsible Supplier Code and Sustainable Packaging Guidelines
- Operational Waste minimisation
- Solar generation and energy efficiency work



CLIMATE ACTION

Take urgent action to combat climate change and its impacts

Targets: 13.2

Our contributing actions:

- We have measured and reported our greenhouse gas emissions since 2016
- We have established Science Based Target based on a 1.5°C warming scenario



LIFE ON LAND

Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss

Targets: 15.2, 15.b

Our contributing actions:

- Sustainable Forest Management through FSC and PEFC certifications
- We provide Carbon Neutral paper solutions to customers

STRATEGIC PILLAR

Foster a safe, healthy and inclusive society

Our aspiration

We want to contribute to making New Zealand a great place to live, where people are confident to be all they can, without limitation.

Material issues we are addressing



- Customer experience
- Credibility and Trust
- Ethical supply chain
- Health, safety, and wellbeing

SDG goals this supports





GOAL	OUTCOME	2021 OBJECTIVES	MEASURES	ACCOUNTABILITY
Support health, safety, and resilience	Enable thriving societies, where people live a better everyday life and are prepared for tomorrow	<ul style="list-style-type: none"> • Refresh our HSW strategy • Complete an Employee Wellbeing Survey • Review our Crisis Management • Undertake an Employee Engagement Survey • Improve our Culture measurement 	<ul style="list-style-type: none"> • Complete Occupational Health and Hygiene Assessments • Employee engagement survey completed in June 2021 	<ul style="list-style-type: none"> • People and Capability Team • Health Safety and Wellbeing Manager
Promote inclusivity and equal opportunity	Create a positive social impact for everyone across OfficeMax's value chain	<ul style="list-style-type: none"> • Continue our Charitable Activities • Support our communities through the pandemic • Strengthen our Supply Chain Social Compliance 	<ul style="list-style-type: none"> • Level of Community Investment 	<ul style="list-style-type: none"> • People and Capability Team • Marketing Team • Sourcing & Merchandise Team

OUR PROGRESS**Key priorities**

GOAL / TARGET	PROGRESS IN 2021	TRACKING INDICATOR	2022 OBJECTIVES
<p>Support health, safety, and resilience</p> <p>Enable thriving societies, where people live a better everyday life and are prepared for tomorrow.</p>	<ul style="list-style-type: none"> • Refreshed H&S and wellbeing strategy launched • Employee Engagement Survey completed – engagement result • Tracksuit Wellbeing Platform available to all employees • Crisis Management Plan review is underway • Launched SmartWorking • Developed a COVID-19 response framework 		<ul style="list-style-type: none"> • Identify external H&S certification • Investigate HSE management software • Continued Employee Engagement • Appoint a permanent Sustainability Specialist and Health Safety and Wellbeing Manager • Implement a Wellbeing Framework
<p>Promote inclusivity and equal opportunity</p> <p>Create a positive social impact for everyone across OfficeMax's value chain.</p>	<ul style="list-style-type: none"> • CultureAmp adopted • 2021 Additional Leave Scheme and paid time off work for vaccinations • Care packages provided during lockdown • Community hand sanitizer donation • Free lunches for operational staff during L4 lockdown • 55 Social audits undertaken • \$2.3m Charity donations 2021 		<ul style="list-style-type: none"> • Pilot Responsible Supplier Code • Implement revised Remuneration Framework • Establish Living Wage and Pay Equity framework • Extend Management training

KEY

 work in progress

 on target

Our conduct

Our values and behaviours underpin all our actions and words. They are the things that are most important to us, they demonstrate our ethics and integrity. They are elements we do not compromise on.

OfficeMax's values - Integrity, Accountability, Innovation, Teamwork and Respect - are our promise to all we engage and interact with, each other, our customers, and our suppliers.

At OfficeMax we believe that the way we approach our work is as important as the results we deliver. Our behaviours are the performance expectations we have of our people and key to achieving our goals. They are observable through our words and actions. All staff are required to complete an induction which includes understanding and attestation to our values and behaviours.

We assess behaviours against the standards set out in each incremental and cumulative level.

- Adaptability
- Personal Accountability
- Commercial Acumen
- Deliver Results
- Innovation
- Collaboration

The OfficeMax Behaviours provide a common language across OfficeMax for discussing how we do things not just what we do. Why? Because behaving in this way is our promise to our customers and team members about the experience we will have together. These form the basis for our Shout Out nominations to celebrate contributions by members of staff and our performance review process.

Maintaining our values and behaviours enables us to progress our strategic pillar to foster a safe, healthy and inclusive society.

OUR ACTION

Resilience through an extended pandemic

The Covid-19 pandemic continued to challenge our business, our people, and our communities in 2021. By the final and longest Alert Level 4 and 3 lockdown of 2021 our teams were well versed in adapting to the restrictions in place to keep our business moving safely, and customers supplied. But it wasn't easy, and we recognised the need to continue and strengthen the support framework we had developed in 2020. Alongside the government traffic light framework, OfficeMax developed an internal traffic light system to assist all staff in navigating the required controls to keep our business and people safe.



“Our team members know that OfficeMax genuinely cares about their wellbeing; we talk about it, we discuss it every day, and we give them the tools they need to stay safe. Morale and the mood on site is good.”

Mathew Saunders, Operations Manager Northern Region

Managing COVID-19 for our people

While many of our people were able to work from home, in order to keep orders and deliveries going throughout



the COVID-19 lockdowns, we needed to keep our Distribution Centres in Auckland and Christchurch operational. Stringent cleaning and hygiene

protocols combined with physical distancing between team members became a daily ritual to keep our people safe. In addition to issuing masks and sanitisers, our operations teams instigated staggered shift start and finish times to reduce the number of people on site at one time and enable distancing requirements. This took our dayshift workforce at our Highbrook site from 127 down to 95. While necessary from a safety perspective, this did put enormous pressure on other areas of the business and led to a 30 per cent increase in orders processed at our Christchurch Distribution Centre whilst Auckland remained locked down.

To ease the pressure for our Distribution Centre staff, we provided free lunches during the Alert Level 4 lockdown to keep them fuelled and to help them avoid the concern of shopping and lunch preparation.

For those working at home during the different levels, we recognised that they were dealing with a different set of challenges. We delivered each employee a care package to assist them to work remotely in comfort.

After a turbulent year in 2021, we felt it was important to recognise all our

people for going above and beyond in their different ways. Every employee was gifted an extra half day of leave and a \$50 voucher through Spend on Small (SOS), to spend with local business as a small token of our appreciation.

New Health & Safety strategy launched

In mid-2021 OfficeMax revamped its health and safety approach with a new strategy focusing on creating a safer workplace by nurturing a culture of accountability.

The strategy's overarching vision, "Everyone Home Safe and Well Everyday", underpins a series of health and safety campaigns that ran throughout the remainder of the year and into 2022.

The health and safety strategy has five strategic pillars.



Each pillar is underpinned by multiple initiatives designed to improve our safety systems, culture, and performance with specific success metrics, which will serve as milestones on our journey.

Included as part of the employee engagement and participation pillar was a drive to ensure relevant information is accessible and understandable for all. Safety related posters and communications were made available in all prominent areas of our sites in English, Samoan, te reo Māori, Tongan and Mandarin to reflect the demographic of our workforce.

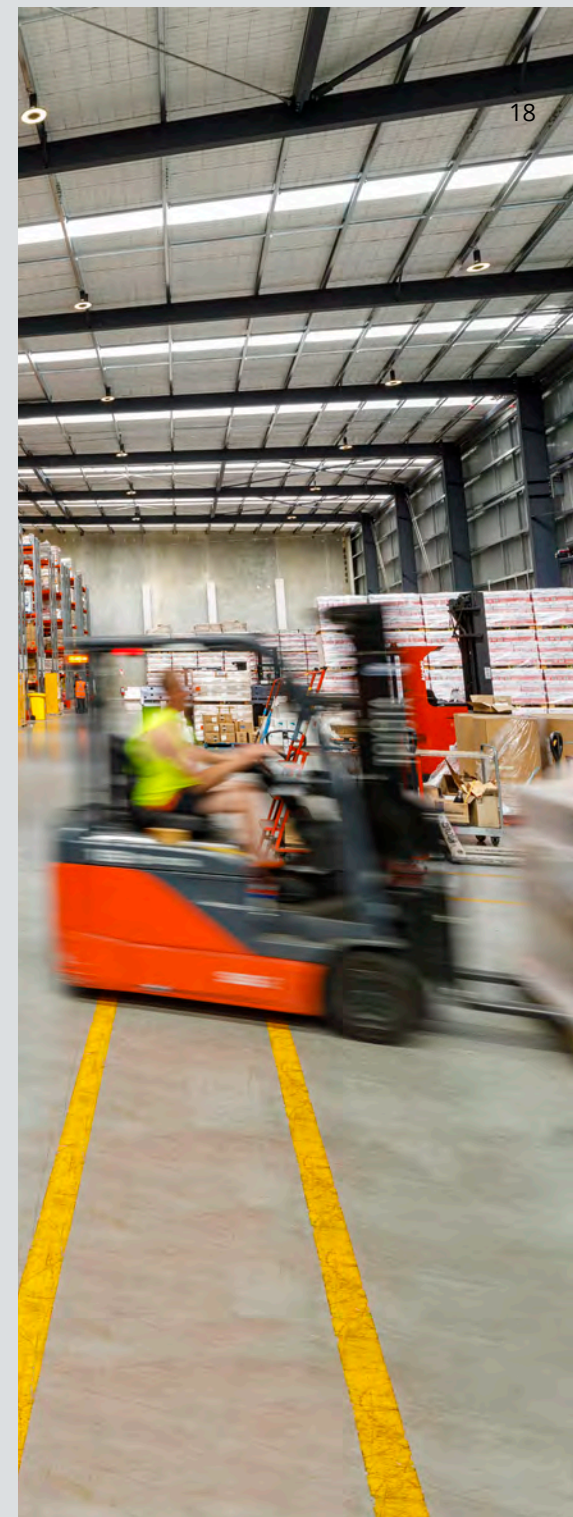
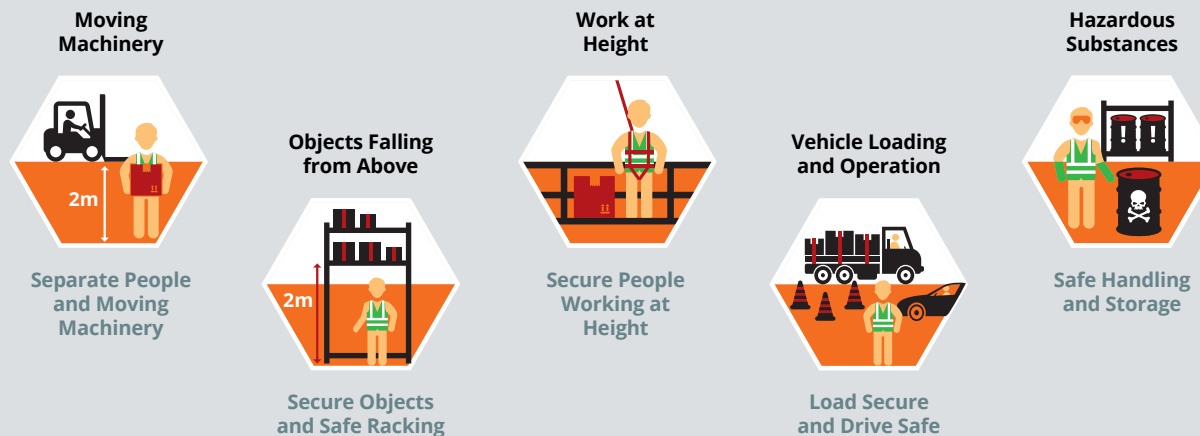
Once a year we ask everyone who works at a desk to renew their workstation Warrant of Fitness (WOF). We know from experience that a leading cause of pain and discomfort for desk-based staff is an incorrectly set-up workstation. As an injury prevention initiative, all OfficeMax employees were reassigned the Workstation Warrant of Fitness module in our online Learning Management System (LMS) in 2021.

Providing active and visible safety leadership is a core element of our strategy and is a fundamental part of the way we operate our business. As a tangible expression of our commitment to safety leadership, we launched a programme of ELT Safety Interactions,

or ELT Safety Walks. Safety Interactions are a conversation, between a member of the ELT and employees about their daily work tasks aimed at gaining a commitment to working safely.

In conjunction with the new strategy, we also launched our Life Saving Rules which highlight the top five hazards and the controls in place to mitigate injury. Each risk has a set of minimum requirements that must be adhered to, not just to ensure a task itself is undertaken safely, but to also keep others safe. Safety isn't something that we do from time to time, it is intrinsic to the way we work at OfficeMax.

LIFE SAVING RULES



Improving safety outcomes by understanding the root cause

Part of ensuring that we can deliver on our safety vision, was to understand the major causes of injuries in our business. Our statistics told us that 86 per cent of OfficeMax injuries in 2020 were caused through manual handling activities. In 2021, OfficeMax partnered with Active+, a nationwide network of physiotherapy providers, to deliver programmes focussed on improving manual handling tasks and activities to avoid injury. This was available to all employees across the business.

Another risk area for OfficeMax, is our fleet of 120 employee operated vehicles largely deployed to our sales teams and travelling significant distances every year. Each car has a GPS unit installed in it to monitor journey details. In 2021 we added safety statistics, including compliance to the speed limit, frequency and duration of breaks and driver behaviour to the ELT monthly health and safety report. This will help us to identify areas where we need to focus future safety messages for our sales teams.



* The total recordable injury rate has been adjusted from the 2020 report due to a recalculation following publication.

Our safety performance

Our Health & Safety performance remained consistent in 2021. Our Total Recordable Injury target for the year was set at 6, with the final result slightly behind at 6.28. This compared with 8.49* in 2020.

GOAL

- 6 Total Recordable Injuries

2021 RESULTS

- 6.28 Total Recordable Injuries
- 5 Lost Time Injuries
- 1 Restricted Work Injury
- 0 Medical Treatment Injuries

2020 RESULTS

- 8.49 Total Recordable Injuries
- 5 Lost Time Injuries
- 1 Restricted Work Injury
- 0 Medical Treatment Injuries



Improving the wellbeing of our people

Ensuring our people have good wellbeing has always been important to OfficeMax. However, like many organisations, the pandemic really emphasised for us, the need to focus on ensuring we supported our people's physical and mental wellbeing. In 2021, clear and consistent communication to staff was crucial to the physical and mental health of our people and business. Our internal communications channels became a powerful tool and each week addressed important topics such as sleep, stress management, food, and exercise.

Our efforts to support physical and mental health and wellbeing this year included:

Grow NZ webinars

We ran four online wellbeing sessions focusing on providing employees with coping mechanisms, tools, and tips.

Wellbeing challenge

We worked with Lance Burdett, a specialist in this field, former police officer and crisis negotiator, who set up a four-week wellbeing challenge (to manage and improve mental

wellbeing by setting daily goals and tracking progress) for all employees to participate. Lance Burdett also ran an all-of-company workshop on "Adapting to our dynamic world". These initiatives were very well-received.

Weekly wellbeing toolbox

Our weekly internal newsletter shared some of our team members individual mental health journeys and made available numerous resources to read and download.

Online noticeboard

Our all of company online noticeboard enabled staff to share their working from home stories/activities.

Additional leave

We gifted an extra half day of leave for all.

Regular check ins

Our leaders maintained regular check-ins with staff.

EAP (Employee Assistance Programme) support and resources

All employees have access to our Employee Assistance Programme (EAP), which provides professional and confidential services to assist employees with personal problems and/or work-related problems that may impact their job performance, health,

mental and emotional well-being

Access to Tracksuit

For a number of years we have signed up to Tracksuit (online wellbeing platform) and provide it free for staff and immediate family members. Tracksuit offers a wealth of resources for all aspects of wellbeing i.e., physical, mental, emotional, creative, financial, social, and spiritual.

As a result of these initiatives, we saw increased employee engagement in our annual engagement survey with a 59% favourable score, lower absentee rates and greater productivity. Anecdotally, our people were happier in their work and felt heard and supported by the business when it came to wellbeing.

Spend on Small (SOS) Business

All our team members received a \$50 voucher from Spend on Small (SOS) Business, a not-for-profit initiative that provides a way for Kiwis to buy vouchers from their favourite NZ businesses to help them with the cash they need now.

The initiative was a thank you for staff efforts during the year whilst also supporting local businesses to help with their recovery. Participating local businesses ranged from coffee outlets and restaurants to cinemas and beauty shops.



Supporting a healthy, equal and inclusive community

OfficeMax has a strong focus on supporting our communities. The pandemic left many people, particularly vulnerable communities, increasingly exposed so in 2021 we felt it was more important than ever to continue and extend our support. We pursued some ambitious initiatives with staff and our charitable partners. Our efforts were focussed on tackling the equality and inclusion issues exasperated by the pandemic and in line with our strategy to enable thriving societies.

Jammies in June

We signed up to Jammies in June run by the Middlemore Foundation to fundraise for Kidz First. The promotion saw team members donate pyjamas, socks, slippers, and blankets for



redistribution to families in real need of winter supplies.

All Heart NZ

OfficeMax has partnered with All Heart NZ charitable trust for three years to provide a simple and cost-effective solution for disposing of business' surplus items responsibly. All Heart collects redundant furniture and other items and redirects it for the benefit of communities in need, in New Zealand and the Pacific.



The partnership is two pronged. OfficeMax donates its own surplus furniture and office products for redistribution, and also connects customers with the charity to enable waste diversion.

In 2021, working with All Heart in Auckland and Christchurch, we helped our customers divert 65 tonnes of furniture and other office items from landfill. In one example, East Tamaki Health Care diverted 71 furniture items from landfill (3.18 tonnes), creating a community impact value of \$6,864.

This value is measured by the local community's ability to re-use, re-purpose and re-sell the items, with 100 percent of the benefit going to communities in need. Together with our customers we created a community impact of nearly \$600,000 by redirecting their unwanted furniture via All Heart.

In 2022, we intend to explore further opportunities with All Heart NZ, such as recycling single use PPE into usable products with a large strategic customer.

Sanitiser giveaway

As winter descended, OfficeMax ran an initiative which saw us donate over 200,000 bottles of hand sanitiser to charities and community groups ahead of the cold and flu season. The donation was equal to more than \$1.9 million at retail value and the equivalent of 115 metric tonnes of sanitiser.

All Heart NZ, along with NZ Food Network, a not-for-profit that distributes grocery goods to food rescue organisations, iwi and charities, were amongst the first groups to receive the hand sanitiser and help distribute it around New Zealand.



Barnardos 0800 What's Up?

OfficeMax's sponsorship of 0800 What's Up? continues to help Kiwi kids, with 15,337 callers and chatters reaching out to the dedicated child and youth helpline in 2021.

OfficeMax has been a corporate sponsor of the service since 2014 and we use our education channel to spread the word so that more children and young people can seek help from counsellors to empower them to solve their problems.

In January 2021, child-centred helpline Kidline joined Barnardos NZ and as a result, 0800 What's Up is now Aotearoa's only national children's



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brought
to you by
Barnardos



helpline, providing an essential service to children and young people who need a safe place to talk with a trained counsellor.

Last year the charity saw a significant rise in more serious, complex calls and chats last year, including conversations around depression, anxiety, anger, grief, loss, loneliness, deliberate self-harm and suicide. This is partially a reflection of COVID-19 and the challenge of being able to access mental health support promptly.

Max e-Grants

Through our longstanding Max e-Grants programme, which is supported by our suppliers, OfficeMax has distributed more than \$1.1 million to almost 16,000 children in need, funding school trips, uniforms, stationery, and other essentials.

As with 2020, in 2021 the impacts of Covid-19 on school activities meant that many grants couldn't be used for



the intended purpose, however we still donated \$33,110 to 145 children. OfficeMax charity partner Barnardos helped schools work through this process to ensure the funds were still used to benefit the children, even if it was for a different purpose.



SUMMARY

Our results

Corporate responsibility	2021	2020
Community Investment (\$)	\$2,350,038	\$1,257,848
Max e-Grant donations	\$33,110	\$112,439
Children helped through Barnardos 0800 What's Up	15,337	12,680
School Rewards provided	\$675,918	\$880,000
School Associations supported	4	5
Spend on Small (SOS) Business	\$26,500	\$0



STRATEGIC PILLAR

Provide solutions for a rapidly changing world

Our aspiration

We want to seamlessly enable New Zealanders with the tools they need for their success and prosperity.

Material issues we are addressing



- Customer experience
- Credibility and Trust
- Product stewardship
- Digital and technology capability

SDG goals this supports





GOAL	OUTCOME	2021 OBJECTIVES	MEASURES	ACCOUNTABILITY
Provide flexible product and service solutions	Every New Zealander has access to affordable, flexible solutions supporting their workplace needs	<ul style="list-style-type: none"> • Pricing optimisation and integration • Direct ship services • Enhance customer solutions 	<ul style="list-style-type: none"> • Pricing metrics • Delivery metrics • Customer feedback 	<ul style="list-style-type: none"> • Sales and Marketing Teams
Empower the future of work	Enable our people to enable our customers to enable their business	<ul style="list-style-type: none"> • Strategic capability planning • Talent development and future of work 	<ul style="list-style-type: none"> • Specific metrics to measure progress 	<ul style="list-style-type: none"> • People and Capability Team

OUR PROGRESS**Key priorities**

GOAL / TARGET	PROGRESS IN 2021	TRACKING INDICATOR	2022 OBJECTIVES
<p>Provide flexible product and service solutions</p> <p>Every New Zealander has access to affordable, flexible solutions supporting their workplace needs.</p>	<ul style="list-style-type: none"> • Pricing framework presented and agreed. Master data cleanse completed. Industry vertical (SIC), purchasing modelling complete. "What if" model first cut done. Contract management phase one live • Continuing to expand automation solution for direct ship sales • SPS commerce and Stibo projects (in testing) on track for Master Data rebuild and fulfillment management 		<ul style="list-style-type: none"> • Roll out of supplier platform, Stibo • Continued expansion of direct sales
<p>Empower the future of work</p> <p>Enable our people to enable our customers to enable their business.</p>	<ul style="list-style-type: none"> • Opened Customer showrooms • Smart Working Framework launched • New OfficeMax behaviours launched • Role mapping complete 		<ul style="list-style-type: none"> • Design and commence team restructures • Embed Smart Working • Showroom events and development

KEY

 work in progress

 on target

OUR ACTION

Along with many of our customers and suppliers, 2021 saw us experience increased online orders, labour shortages and supply chain disruptions. This required the business to respond quickly and effectively to ensure we could continue to deliver a stable customer experience and maintain a supportive and positive workplace for our people.

In 2021 we managed pandemic restrictions by working with the right suppliers and products. We used our learnings from 2020 to improve our processes and generate improved customer satisfaction. We commissioned a State of the Workplace report to better understand how we can support our customers and minimised

the impact of shipping delays by leveraging space in Distribution Centres and carrying additional stock.

With our focus on providing solutions to a rapidly changing we world, we knew we had to remain future focused and pursue as many of the planned improvements to our operations as possible. While the pandemic has somewhat muted our progress on the future of work, we are proud of what we achieved in 2021 and are committed to delivering on our ambitions in the coming years. These include maximising the benefit of our showrooms, increasing our direct ship capabilities and developing our internal talent and knowledge base.



Building our business timelines:



Evolving our customer experience

Growing and evolving our business in line with our goals to provide flexible product and service solutions and empower the future of work meant 2021 was another busy year.

When OfficeMax closed its retail stores in October 2020 and moved to an online only business, a key consideration was enabling customers to experience larger scale workplace products and services before purchase. In 2021 we achieved this, with the opening of our three interactive showrooms in Auckland, Wellington and Christchurch.

The showrooms enable customers to see, touch, trial and visualise our more technical, large-scale products in a workplace environment. These innovative spaces illustrate our Re-think story and reposition OfficeMax as a provider of workplace solutions beyond stationery. At a time when the workplace is evolving faster than ever, our showrooms help us to provide customers with ideas and to experience flexible solutions.

Getting the design of our showrooms right was crucial to maximise benefit. We coupled the cafe area with relevant furniture, while the educational areas showcase furniture, storage, presentation equipment, technology, teaching resources and art in one collaborative space. We also display and demonstrate cleaning equipment, packaging technology and safety offerings.

The feedback from customers, suppliers and staff alike, continues to be overwhelmingly positive. In 2022, we plan to extend the usage of our showrooms to host networking and sales events.



The future of distribution

In 2021, we realised five years of planning and construction to launch a new Christchurch Distribution Centre, as well as significant upgrades to our Auckland facility.

Auckland DC upgrade

Our North Island Distribution Centre, based in East Tamaki, underwent extensive changes with OfficeMax investing \$5.3 million to improve and future-proof our operational capability.

The work included new shelving and racking and the potential to increase the number of sort lanes (despatch) from seven to ten lanes. The extension encompassed 7,400sqm, an enclosed canopy of 6,300sqm, a conveyor extension, automated carton erectors (box makers) and lid applicators, automated label applicators and finally, automated invoicing.

We have already undertaken significant changes to our picking conveyor system to provide increased capacity and efficiency.

Christchurch DC completed and commissioned

In April we moved into our purpose-built warehouse in the new IPORT Business Park, strategically located in Detroit Drive, Rolleston. This area is fast becoming the major transport hub for the whole of the South Island.

At almost twice the size of our previous facility, our new Christchurch home has the capacity to hold more product in one location, while having the ability to directly receive multiple containers from our local and international suppliers, enabling us to keep transportation movements and greenhouse gas emissions to a minimum.

OfficeMax invested in a state-of-the-art conveyor system to provide improved efficiency and capacity. The building incorporates several design elements which will provide better sustainability outcomes including a fully electric fleet of Mechanical Handling Equipment and lower power consumption.



Smart working

In order to support our focus on the future of work, build resilience, and recognise a shift in workplace expectations, we launched the Smart Working project. The initiative was designed to enhance the flexibility of our working practices, bring benefits to our team members, and enable us to run our business more effectively. We developed the use of personas as a way of grouping roles based on needs, type of work, location, tools, and technology required. All roles at OfficeMax were then categorised into five personas:



Distribution Centre Workers are the team members who are tasked with distribution activities for inwards, pick, pack, ship processes. Their work is solely in the OfficeMax Distribution Centres, and they have limited requirements for collaborative space, desks, phones, or computing equipment.



Customer Champions are team members whose role is fulfilled on the phone and with digital communications with customers. Their work is conducted at their computer with their softphone solution (PureCloud or Teams). They do not require collaborative meeting spaces but do need to have technology to enable effective group and individual video and audio conferencing.



Customer Sales & Support have a similar profile to customer champions with a strong digital capability requirements and limited need for physical collaboration space.



Knowledge Workers are team members whose role requires functionally specific skills (i.e., accounting, IT, etc.). They work and collaborate both within their specific function and right across the business. Their work is primarily conducted in front of their workstation or in meetings –either in person or via video / audio conferencing. They have requirements for collaborative space (in-person or virtual), a laptop, headset, online collaboration tools and a shared physical work location (to maximise knowledge sharing, collaboration and connectivity).



Road Warriors are team members whose role is 'on the road' in either sales or services. Their work is primarily contacting customers, face-to-face, mobile or digital and they require occasional time in an OfficeMax office or OfficeMax sourced shared space. They have requirements for collaborative space on an ad-hoc basis, both for client and colleague meetings. They require mobile technology equipment including touch screen laptop/tablet, mobile phone, headset, and remote charging equipment for devices.

Flexibility in our working arrangements is at the very heart of our Smart Working programme. This cornerstone foundation, coupled with staff feedback became our guiding principles as we developed this initiative.

In keeping with our sustainability goals, Smart Working also resulted in several environmental, economic, and social benefits. It enabled us to reduce unnecessary commutes, continue to support our customers and look after the families connected to our business.



Digital learning in lockdown

In November our customer support team answered 17,451 calls, up from 13,754 in October, and a staggering 23,672 faxes and emails, up from 18,106 the previous month.

With such an increase in call volumes and queries, our Sales Teams and Customer Support Representatives (CSRs) were required to assist with orders from their home offices. Fully trained CSRs are required to be well-versed in over 90 different processes; this is in addition to all the product information they also learn. To get away from a time-consuming method of 'learning' and enable the CSRs to focus more on developing their soft-skills, OfficeMax introduced WalkMe, an interactive tool that simplifies tasks and 'walks' users through the processes.

The aim of developing WalkMe was to reduce pressure on our people in an already challenging time. With WalkMe, our CSRs were supported to assist our customers and still deliver the great service they expect from OfficeMax, without the required learning. As a result they were able to respond more quickly.

The tool also enables a peer-based information system group, facilitating rapid response to queries by staff on process and product information.

During the lockdown period, team members worked at 97% capacity and recorded 1551 transactions per CSR per month, the highest level since records started in 2009.

Widening our range of customer solutions

A key element of providing solutions in a rapidly changing world is understanding that each of our customers has their own unique value proposition. Our commitment is to provide customers with the best range of solutions so that they can choose those that align with their values.

Social procurement has gathered momentum since we formed an early relationship with Will&Able, who employ people with mental disability to produce a great range of sustainable products. In 2021, we continued our focus on partnering with socially and environmentally sustainable initiatives to offer our customers more options in this space. We're proud of this connection and encourage our customers to see the social benefit of migrating their spend into this range. We see it as a win-win; our customers get to contribute to their own sustainability agenda, while the social enterprises get the benefit of increased awareness and sales.

We promote the products and purpose of each social enterprise through our sales teams, networking events, and enable sales through the OfficeMax website. Some examples of our social enterprise partners include:



Frank Stationery

Frank Stationery donates a school exercise book to a child in need for every notebook they sell. Since 2012, over 75,000 schoolbooks have been donated to Kiwi kids through this initiative.



Will&Able

Will&Able is a New Zealand charity business which employs almost 80 staff with disabilities. Will&Able manufactures a range of cleaning and hygiene products for the home and workplace which are made with sustainable ingredients and packaged in bottles made from recycled milk bottles.



Downlights

Downlights is a New Zealand owned social enterprise that manufactures luxury candles, diffusers, and other fragranced products. Downlights employ young adults with Down syndrome and cognitive disabilities and supports their learning and development with a variety of workplace skills.



Trade Aid

Trade Aid is a social enterprise creating fairness in trade, founded right here in New Zealand in 1973. They work with small food and craft producers around the world, and support and educate consumers to join them in creating a world where trade is fair for all.



Common Good Coffee

Common Good Coffee has a goal to create positive change in some of the poorest neighbourhoods in the world. \$5 from every kilogram of coffee sold goes to Joyya in Kolkata, to help fund improved healthcare and educational opportunities, employment kick-starters, legal aid promoting human rights, and prevent human trafficking.



Keep New Zealand Beautiful

Keep New Zealand Beautiful is a not-for-profit charitable organisation that are committed to inspiring, educating and empowering the community of Aotearoa to restore, preserve and improve New Zealand's climate future through active participation. OfficeMax donates \$1 from every Nescafé Classic 1kg tin sold to Keep New Zealand Beautiful – with over \$25,000 donated in 2021.



Charity Tea

Charity Tea sells ethically sourced, certified organic tea to raise money for charity. Every packet sold either feeds a child in Haiti (in their feeding programmes), or a child in New Zealand receives a school lunch. All packaging is compostable, refillable, or recyclable and they are the only Ekos certified climate positive tea company in New Zealand.



Karma Drinks

The word 'karma' came from an idea the founders had about forming a company to find ingredients that were good for the land, good for the people who grow them and good for the people consume them. 1% of revenue from every Karma Drink goes to their cola nut growers and their communities in Sierra Leone. The Foundation guarantees the funds raised help drive economic and social independence.

Refreshing EcoMax

Providing choice and transparency around product offerings

EcoMax is another of our offerings that helps customers to identify and select products that align with their sustainability ambitions and values.

Our EcoMax offering commenced in 2005 as part of the hardcopy catalogues provided to customers. In 2021 with the closure of retail stores and moving to a fully online catalogue, the EcoMax criteria was reviewed and refreshed. OfficeMax introduced functionality to the website to enable customers to filter products

by a range of sustainable criteria under the umbrella of EcoMax. In 2021 over 1,200 products are included within the EcoMax catalogue. Whilst this is a decrease on the 2020 figure it reflects increased scrutiny of the criteria for product inclusion.

Further work is planned in 2022/2023 to streamline supplier data and information that supports product inclusion in EcoMax and provides greater transparency to customers regarding sustainability credentials. The work will be undertaken in conjunction with the development of the new supplier platform, Stibo.



SUSTAINABILITY CRITERIA	CRITERIA DEFINITION
EcoMax	OfficeMax's own classification for eco-preferable products.
Recyclable Product	The product itself contains at least 20% material that is recyclable in New Zealand.
Recycled Product	The product itself contains 20% or more recycled material.
Environmental Certification	The product or supplier has a recognised third party environmental certification.
Ethical Certification/Social Enterprise	The creation of the product provides benefits for people in regards to fairtrade, social enterprise or sustainable development.
Carbon Reduction Certification	The product is certified with a recognised third party carbon reduction certification such as <i>carbonreduce</i> , <i>carbon zero</i> or equivalent.
Reusable/Refillable	The product is specifically designed to be reusable and / or has readily available refill/return programmes operating in New Zealand.
Compostable	The product is either commercially or home compostable in New Zealand.
Recyclable Packaging (filter available soon)	20% or more of the product's packaging is recyclable in New Zealand.
Recycled Packaging (filter available soon)	20% or more of the product's packaging contains recycled material.

SUMMARY

Our results

Measure	2021	2020
Number of customers	33,000+	30,000+
OfficeMax Net Promoter Score	50	48
Products in the EcoMax range	1,256	1,728
Number of delivery points	200,000	160,000
How many products (SKUs) OfficeMax offers	34,841	25,000+
OfficeMax brand products	3,461	3,179
Number of suppliers overall	586	626



STRATEGIC PILLAR

Drive a low carbon, circular economy

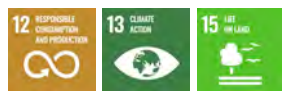
Our aspiration

We want to speed up New Zealand's transition to a low carbon future and the circular use of resources.

Material issues we are addressing



- Customer experience
- Credibility and Trust
- Ethical supply chain
- Reducing our emissions


SDG goals this supports



GOAL	OUTCOME	2021 OBJECTIVES	MEASURES	ACCOUNTABILITY
Improve the environment through our value chain	Create a positive environmental impact for everyone across OfficeMax's value chain	<ul style="list-style-type: none"> • Environmental criteria embedded in Responsible Supplier Code (RSC) • Optimise last mile freight efficiency • Manage our operational environmental footprint and emissions • Work with partners on product stewardship programmes 	<ul style="list-style-type: none"> • RSC development • Freight emissions • Waste data • Product stewardship data • ISO14001 certification 	<ul style="list-style-type: none"> • Sustainability Governance Group
Support local solutions	Increase the local supply and innovation of low carbon, circular solutions	<ul style="list-style-type: none"> • Active participation in SBC • Identify potential local suppliers and service partners • Supporting NZ solutions to product stewardship & resource recovery 	<ul style="list-style-type: none"> • Local supplier data 	<ul style="list-style-type: none"> • Sustainability Governance Group

OUR PROGRESS**Key priorities**

GOAL / TARGET	PROGRESS IN 2021	TRACKING INDICATOR	2022 OBJECTIVES
<p>Improve the environment through our value chain</p> <p>Create a positive environmental impact for everyone across OfficeMax's value chain.</p> <ul style="list-style-type: none"> • 20% reduction in GHG emissions per FTE by 2026 (2016 base) 	<ul style="list-style-type: none"> • Draft Responsible Supplier Code and Draft Packaging Guidelines developed • Total emissions have reduced below the 2025 target level • Maintain ISO14001:2015 Certification • Maintain FSC certification and achieve PEFC 		<ul style="list-style-type: none"> • Design of fleet transition to low emission • Upgrade of Air conditioning Highbrook • Review Scope 3 emissions • Investigate GHG inventory software
<p>Support local solutions</p> <p>Increase the local supply and innovation of low carbon, circular solutions.</p> <ul style="list-style-type: none"> • >95% products sourced from local New Zealand businesses and >20% products manufactured or assembled in New Zealand 	<ul style="list-style-type: none"> • Amotai membership continued • 91% of products sourced from NZ suppliers • Partnership with All Hearts to repurpose customer furniture • Develop Responsible Supplier Code 		<ul style="list-style-type: none"> • Pilot Responsible Supplier Code • Develop sustainable Packaging Guidelines • Sign up to National Plastics Packaging Pact • Progress customer circular economy initiatives. • Promote NZ Made or Manufactured

KEY
 on target

OUR ACTION

Improving the environment through our value chain

Managing our environmental impact means looking across our full value chain to identify and improve as many areas as we can. Ultimately, the goal is to decarbonise and achieve a circular economy; in simple terms this a system which is as efficient as possible and eliminates waste through the continual use of resources.

We are seeking to address environmental performance through our value chain in the following ways:

- Considering where our products come from, and supporting local suppliers where possible
- Considering the sustainability of the materials our products are made from and their packaging
- Helping our suppliers to understand and improve their environmental performance
- Ensuring our operations are energy efficient and how we package and freight products to our customers is as sustainable as possible
- Addressing what happens to our products at the end of their life



For example we facilitate customer furniture to be re-directed by our partner All Heart NZ.



For example, Wellington City Council waste bags transitioned from single-use plastic to a compostable variety.

For example, we work with Downlights, a New Zealand-owned and run fragranced soy candle company that manufactures luxury candles using artisanal techniques.

For example, we stock PEFC / FSC® Certified timber fibre products.



For example, one of our largest exercise book suppliers providing 8 out of 10 of our Warwick My Learning Range have invested significantly in renewable energy. In 2021 CJP located in Ningbo China produced over 30% of their energy needs from their new solar array.



Growing local

At OfficeMax we feel strongly about supporting local businesses and ultimately, local communities. It also helps to reduce the greenhouse gas emissions from our supply chain.

In 2021, 92% of our suppliers are New Zealand based. This is up from 91% in 2020 and is a figure which we are incredibly proud of. It also sets us in good stead to reach our target of a 95% New Zealand supply base by 2025.

To reach this target, we see the importance of engaging with Māori and Pasifika-owned businesses to ensure that we play our part in encouraging and enabling those businesses to thrive.

**2025 NEW ZEALAND
SUPPLY BASE TARGET**

92%

**of our suppliers are
New Zealand based**

In 2021 we worked with Amotai to begin establishing a registered business database so that we have the opportunity to work with Māori and Pasifika-owned businesses that are relevant to the products and services we provide.



We chose to partner with Amotai due to the strong authentication process for companies wishing to register as Māori or Pasifika-owned.

As an organisation that is consistently looking for opportunities to become more diverse and inclusive, we look forward to extending this work with Amotai in the future.



Re-think supporting local event

The need to support and connect the New Zealand business community became paramount in 2021.

With the opening of our Highbrook showroom, OfficeMax were able to offer the ideal venue to host the first Re-think – Supporting Local Networking event. Over 150 suppliers, customers, charity partners and team members mingled in the brand-new showroom.

The event, classed as a ‘chat with New Zealand Business’, was an opportunity to demonstrate our commitment to local suppliers in action. We showcased our new Highbrook Showroom and products, while at the same time developing and fostering relationships and enabling connections between all our valued partners.

The focus was to introduce a range of innovative NZ-owned businesses who supply OfficeMax with the products that keep our customer workplaces running. A key element was enabling our customers to connect with the social enterprises selling products through OfficeMax.



Product and supplier sustainability

At OfficeMax, our commitment to sustainability goes far beyond selling environmentally conscious products. Our journey began in 2001, and since that time we've taken many steps to reduce our social and environmental impact.

In 2019 we introduced an extensive supplier vetting process by UL, an international auditor and certifier of best practice social compliance, for our OfficeMax branded products. Each manufacturer is audited, assessed, and scored on health and safety, housing, working hours, human rights and

labour practices, ethics, freedom of association, environmental compliance, and remuneration. We only partner with suppliers who align with our ethical sourcing standards.

Maintaining an ethical supply chain is vital to how we operate and manage our ESG risks. Not only is it the right thing to do, it's also good for our business, our suppliers and all the people who work in it.

In 2021, continued our commitment to an ethical supply chain, with 55 social compliance audits conducted.

2021 SOCIAL COMPLIANCE AUDITS

- 55 audits conducted
- 46 by 3rd Party designed by OfficeMax
- 9 through other international recognised certification
- 1 Self audit from a manufacturer in Sweden



Sustainable wood to create our paper

As New Zealand's largest importer and seller of cut-sheet paper we support responsible forestry. This means that no virgin forests are used to make the products we buy and every tree which is cut down is replaced by one or multiple new ones.

Our certifications include the Forest Stewardship Council (FSC®) certification which guarantees that the product has been grown in a sustainably managed forest and that the supply chain is managed responsibly. We also hold an FSC® Chain of Custody certificate which enables us to trace any box of paper right back to the grove of trees it came from.

In July 2021 we obtained the Programme for the Endorsement of Forest Certification Chain of Custody Certification (PEFC) for the first time. PEFC best practice standards promote environmentally sound, socially just, and economically viable management of forests globally. This will also enable us to track down the source of any timber-related products we buy.

IN 2021 WE MADE A DECISION
TO CHANGE ALL OUR DIARIES
TO FSC® PAPER

**As a result our diaries
in future years will be:**

2022

16% FSC®

2023

91% FSC®

2024

100% FSC®

OFFICEMAX IS TACKLING
UNNECESSARY PAPER USE
INTERNALLY BY UTILISING
DOCUSIGN FOR KEY
CONTRACTS

Continuing to reduce our emissions

REDUCTION IN OUR ABSOLUTE SCOPE 1, 2 AND 3 EMISSIONS

26%
down (2021 vs 2020)

Our measured Scope 1, 2 and 3 GHG emissions were 756 tonnes CO₂e in 2021. This is a 26% decrease on emissions in the year previous and a 39% decrease on 2019 Base Year emissions. This significant reduction means that we have exceeded our Science Based Target (SBT) of 25% reduction in Scope 1 and 2 emissions by 2025.

Whilst we cannot discount the impact that the COVID-19 pandemic has had on emissions relating to office-based energy use, fleet fuel and business travel there are a number of other changes and reduction initiatives

that have contributed. In particular, the closure of our retail stores has significantly reduced the real estate from which we operate and therefore the energy profile.

The generation of renewable energy from our Highbrook solar installation has led to a consistent reduction in Scope 2 emissions and the transition from LPG forklifts to a fully electric fleet avoided approximately 123t CO₂e in 2021.

The SBT will be reviewed in 2022 to assess its alignment with current business operations.

KEY STATISTICS:

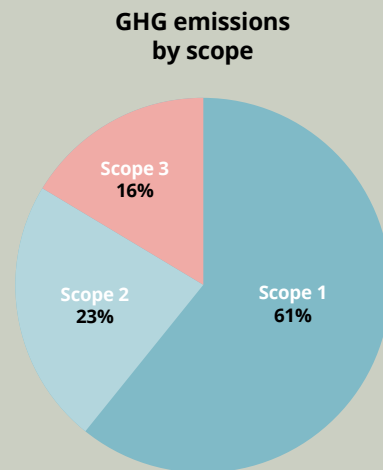
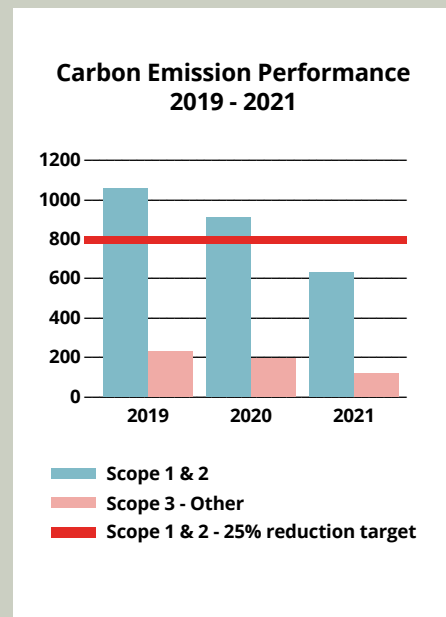
- 61% of emissions were from direct (Scope 1) sources, namely fuel used in company owned vehicles (51% total emissions), refrigerant gases (9%) and natural gas for building heating (1%).
- 23% of total emissions arose from the use of purchased electricity (Scope 2), 40% lower than 2020 levels.
- The remaining emissions (69%) were from indirect sources (Scope 3) and included emissions from air travel (6% total) and waste sent to landfill (10% total).
- The Head and Sales Offices accounted for 14% of all emissions. The remaining retail stores and new Showrooms accounted for 3% and the Distribution Centres 82%.
- The GHG emissions per FTE was 1.42 tonnes CO₂e in 2021, a 29% reduction from 2 in 2020. These figures are based on end of year FTE figures. Seasonal variations in FTE numbers were distorted by the impacts of Covid-19 on our operations.



A key strategy action for 2022/23 is to review the Scope 3 included in our GHG emissions inventory. These currently relate to business travel, waste, and paper. The review will consider upstream and downstream emissions that are material to the operation of the business, and will be informed by the mandatory Scope 3 inclusions under the Carbon Neutral Government Programme (CNGP), and the reporting requirements of external standards such as the Task-Force on Climate-related Financial Disclosures (TCFD) and the Carbon Disclosure Project (CDP).

In conjunction with the Scope 3 review, OfficeMax will be seeking to further develop the management of our GHG emissions inventory to enable improved data capture, performance tracking and reporting.

In preparation for this review, OfficeMax partnered with our key freight providers NZ Post and Mainfreight to undertake a pilot study on mechanisms to report freight emissions related to order deliveries. The intent of the study was to provide further data and detail to our existing Toitu verified Freight Carbon Emissions Calculator and enable more robust Scope 3 reporting for customers and OfficeMax.



Powered by sunshine

In our 2020 report we introduced our solar initiative at our Highbrook Distribution Centre. By December 2020 all 800 solar panels, four inverter units and the switchboard had been installed with the system turned on by January 2021. 24.2 MWh of power was generated in the first month, amounting to 31.62 tonnes of GHG emissions avoided at our Highbrook site.



Across 2021 the solar panels generated an average of 25% of Highbrook's power and 18% of the total company's. In total, 347 MWh of power was generated over the year. This amounts to approximately 42 tonnes of avoided GHG emissions.

Driving decarbonisation

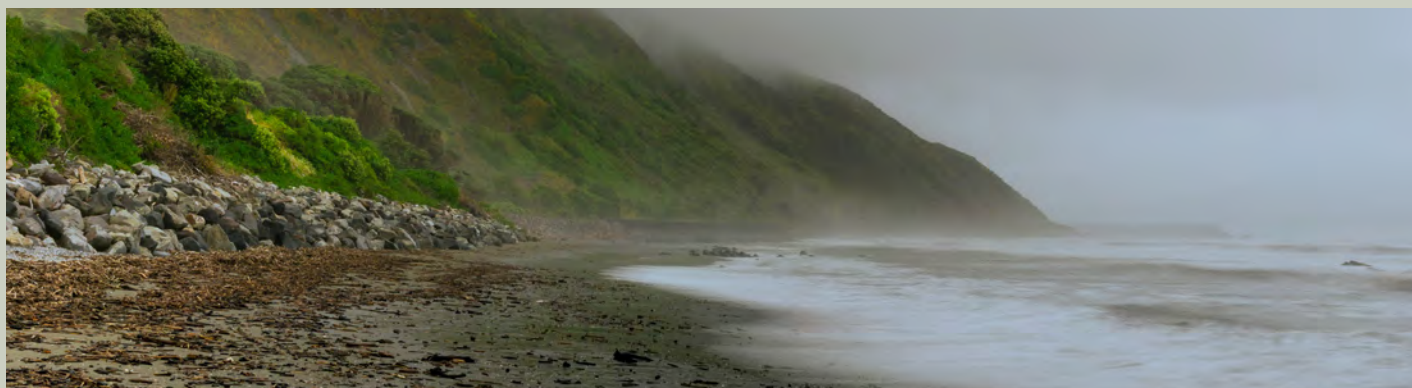


In August 2021 we commenced work with our fleet provider Fleet Partners on their 5 Steps to Zero fleet transition programme to reduce the emissions associated with our vehicle fleet, which represents over 50% of our GHG emissions. We have established a target of reducing fleet emissions by 50%, in line with our Science Based Target of reducing Scope 1 and 2 emissions by 25% by 2025.

In order to effectively do this, we needed to better understand how our 4 BEVs and 110 SUVs were utilised. We installed GPS units in each vehicle and analysed the resulting data along with fuel consumption. This has informed the basis of our fleet reduction and vehicle selection process, to be implemented in 2022.

GHG emissions summary 2021

SCOPE	EMISSIONS SOURCE	TOTAL CONSUMPTION	TOTAL GHG EMISSIONS (in t/CO ₂ e)
Scope 1	Petrol	156,269 litres	383
	Diesel	0 litres	0
	LPG	0 kg	0
	Natural gas	30,258 kWh	5.9
	Refrigerants	34 kg	70.8
Scope 2	Electricity	1,567,778 kWh	173
Scope 3	Air travel		
	• Domestic	380,751 pkm	49.4
	• International	0 pkm	0
	Waste going to landfill	131,445 kg	73.9



Climate related risk

The effects of a warming planet are no longer under debate and have been felt across the world. Many of our customers are subject to the new External Reporting Board's (XRB) Climate-related Disclosure Standards and will need visibility of supply chain risks within their own disclosures.

To support these requirements, we will assess the climate related risks in our operations as part of our 2020-2025 strategy. The importance of ensuring we can continue to meet customer needs, keep our staff safe, and our business viable, despite increasing extreme weather events, rising sea levels and social disruption, is recognised at the highest level of our governance structure.

Progressing a circular economy

In our 2020 report we detailed our \$1m investment into state-of-the-art box making technology and a cardboard perforator at our Highbrook DC. Commissioned in October 2021 the technology can produce 24 boxes per minute, tailored to the size of the order. This enabled the removal of plastic void fill in boxes packed at our Highbrook DC. For orders requiring additional protection perforated cardboard made from waste boxes provides a sustainable alternative by repurposing waste, providing a reusable filler material with the ability to recycle at the end of life.



This was an exciting new addition to our distribution capabilities and to maximise the engagement of our staff we ran a naming competition. The final names selected were:

Pacman – although widely associated with the video game character the inspiration for this name came from the legendary boxer Manny Pacquiao. Known as the Pacman, his incredible career lasted 26 years. A perfect namesake for our box machine that we hope will add value to staff and customers alike for many years to come.

Pouwaka – the Te Reo word for an intricately carved box was the perfect choice for our second box making machine.

As with all new technologies it was necessary to work through initial teething problems. We encouraged feedback from customers and worked to rectify issues identified with the manufacturer's engineers.

The importance of trees






As part of our upgrade to Highbrook DC we designed and established a new landscaped area for the use and enjoyment of all staff. The planting features medium-sized fruit trees including apple, pear, feijoa, lemon, lime and mandarin. All crops are available to staff, and we hope to encourage a wide variety of insect life in the process.



Giving stock a second chance

Earlier in the report we talked about our partnership with All Heart NZ to redirect items surplus to requirements, to those communities in need. This circular economy initiative also has a clear environmental benefit of diverting waste from landfill.

In addition to this partnership, every year we donate expired, damaged, returned, and unsaleable stock to several other charity partners. The stock is not perfect, but we ensure it is fit for purpose before it's passed on to community groups or individuals. This helps people in need and keeps thousands of kilograms of stock out of landfill.

<u>CHARITY</u>	<u>TOTAL WEIGHT</u>	<u>TYPE OF STOCK</u>	<u>DONATED TO</u>
	70,375kg	Damaged (non-repairable) stock, obsolete stock, diaries, damaged returned goods, unused equipment, hand sanitiser	Community groups, schools, All Heart NZ stores, Pacific Nations
	849kg	Unsaleable food items such as dented coffee tins, tea bags, chocolate	Families visiting and staying at Ronald McDonald house
	577kg	Unsaleable food items such as dented coffee tins, tea bags, chocolate	Families visiting and staying at Mercy Hospice
	10,490kg	Damaged (non-repairable) stock, obsolete stock, diaries, damaged returned goods, unused equipment, hand sanitiser	Food rescue organisations throughout New Zealand
Community Groups	80,814kg	Hand sanitiser	Community groups and staff
NZ and Pacific Island Organisations	10,995kg	Varied stock	NZ and Pacific Island organisations
	18.5kg	Varied stock	Various schools

Improving our environmental footprint

We have transitioned from plastic packaging to cardboard on all OfficeMax-branded writing products, replacing over 18t of plastic waste with a 100% recyclable alternative. A clear focus on recycling has seen us

divert 220t of cardboard and paper, and 69t of plastic from landfill. In 2022 and 2023 we will be working on further reductions, with the goal to reduce the 130t of waste that still goes to landfill from our operations.

Cartridge recycling

OfficeMax and Croxley Recycling have a longstanding partnership to provide customers with the ability to recycle used toner and ink cartridges from their printers. Recycling boxes are available for purchase through our website to collect used ink and toner cartridges. Customers can then arrange a courier pick up to deliver to the processing site. The materials that make up the cartridges are separated out into plastic, metal, packaging and waste toner streams to be sent to specialist recyclers.

In 2021 we saw an approximate 33% reduction in the number of recycling boxes that we sold. This appears to reflect a number of trends including:

- Covid-19 lockdowns
- Increasing level of employees working from home
- Decreased printing in workplaces.

We will continue to monitor these figures and work with customers and our recycling partner to ensure the ongoing recovery of materials into these recycling streams.

END OF LIFE RECYCLING STREAMS FOR CARTRIDGES			
PLASTIC	METAL	PACKAGING	WASTE TONER
ABS (Acrylonitrile Butadiene Styrene)	Steel	Cardboard	Waste to energy
PP (Polypropylene)	Aluminium	Paper	
PS (Polystyrene Plastic)		Plastics	
HDPE (High Density Polyethylene)		Polystyrene	

Maintaining our standards

For the past ten years, OfficeMax has implemented a certified ISO14001 Environmental Management System. The EMS requires the input of all teams and staff across the business, to ensure we operate in an environmentally responsible manner and add value where we can. While 2021 marked the ten-year anniversary, a key element of our 2022/2023 strategy is to review and refresh the EMS and investigate options to manage it through an online platform.

Work has also commenced with the development of a draft Sustainability Policy to be launched in 2022. The Policy encapsulates the company vision and the key elements of the Sustainability Strategy 2021-2025 and updates the company position on all Environment, Social and Governance elements of our operations. It provides the starting point for the future development of our strategy and initiatives.



SUMMARY

Our results

Environment	2021	2020
Reduction in scope 1 and 2 Greenhouse Gas Emissions	26% reduction on 2020	13% reduction on 2019
% OfficeMax's electricity needs generated by Auckland solar array	Av 18%	Av 20%
Furniture and unsaleable stock diverted from landfill	88,000kg	45,000kg



2001

We formalised our Health, Safety & Environment work programme and assigned representatives to encourage these initiatives.

2004

We joined the Packaging Council of New Zealand, which promotes a whole-of-life approach to balancing environmental, health and safety impacts/outcomes and economics throughout a product's lifecycle.

2005

We introduced our EcoMax Range of nearly 800 products with environmental credentials, including descriptions agreed upon by the Ministry for the Environment.

2007

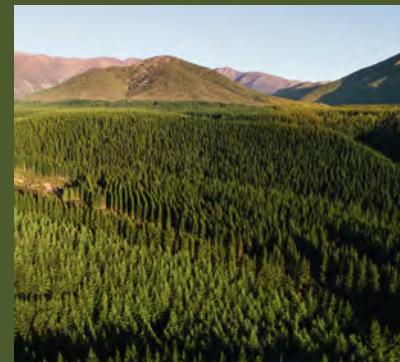
We received an Enviro-Mark® NZ Gold certification for our three main operations. This was upgraded to Enviro-Mark® NZ Diamond across our entire organisation in 2009.

2008

We expanded our range of Fair Trade products and launched Paper Pig reusable cardboard recycling trays. For every tray purchased, we donate a percentage of the sales to CCS Disability Action.

2009

Our Promise Tree Project was launched amongst three South Auckland schools, teaching Year 5 students ways to cultivate a clean and green future.



2010

We initiated a fleet car replacement programme and promoted video conferencing between NZ and Australia offices as well as locally to minimise fuel emissions; we reduced trans-Tasman flights by two-thirds. Our Power Savers programme reduced energy consumption by 5percent and landfill programmes reduced landfill waste by 10percent.

2011

We gained ISO 14001 accreditation, which we still hold.



2011

Launched Max e-Grants, a small grants programme which provides a grant of up to \$5000 per child for basics such as uniforms, stationery and school trips.

2012

OfficeMax was named one of the World's Most Ethical Companies by the Ethisphere Institute and our Director of Merchandise, Richard Meares, was nominated into the executive committee of the Packaging Council of New Zealand as a representative of Distribution & Sales for Wholesale.



2013

OfficeMax joined the Sustainable Business Council (SBC), which is a group of CEO-led companies that have a leading role in creating a sustainable future for business, society and the environment. We were named one of the World's Most Ethical Companies by the Ethisphere Institute for the second year in a row.

2014

Packaging Buyer, Bruce Campbell, was nominated into the executive committee of the Packaging Council of New Zealand as a representative of Distribution & Sales for Wholesale.



2014

OfficeMax became an official sponsor of 0800 What's Up, a free phone counselling helpline and web-chat service facilitated by Barnardos for kids to talk confidentially to trained counsellors.

2015

OfficeMax introduced a carboNZero Compatible Freight Carbon Emissions Calculator for customers to use to track freight carbon emissions from orders.

2016

OfficeMax introduced recyclable AirPlus Air Pillows and a wider variety of cartons to increase packaging efficiency and effectiveness, and reduce waste.

2018

Introduced TechCollect, New Zealand's first free e-waste recycling service for households and small businesses.

2019

OfficeMax invested in new packaging machines to remove the need for void fill plastic pillows, as well as technology to reduce finished carton sizes and improve transport efficiency to reduce our carbon footprint.

2019

OfficeMax achieved our 2026 emissions reduction target six years early.

2020

OfficeMax transitioned 100 percent of our distribution centre manual handling machinery to 100 percent electric.

2020

OfficeMax donated over \$1million through Max e-Grants, helping 15,551 disadvantaged children since the programme began.

2021

26% reduction in our Scope 1 and 2 Greenhouse Gas Emissions.



GRI Standard Disclosure	Disclosure	Description	Page	Omission
Organisational profile	102 - 1	Name of organisation	1	
Strategy	102 - 2	Activities, brands, products, and services	3	
	102 - 3	Location of headquarters	3	
	102 - 4	Location of operations	3	
	102 - 5	Ownership and legal form	3	
	102 - 6	Markets served	3	
	102 - 7	Scale of the organisation	3; 7; 33-34	Net sales and total capitalisation omitted due to confidentiality.
	102 - 8	Workforce	7; Male:Female employee ratio – 4:6	Information on employees is not broken down by employment type or employment contract.
	102 - 9	Supply chain	7; 31-34; 38	
	102 - 10	Business changes	3-5; 17; 25-28; 34; 39	
	102 - 11	Precautionary principle	6-7; 36; 45	
102 - 12	External initiatives	6-7; 12-13; 21-22; 31-32; 36; 38-39; 41-42; 44-45		
102 - 13	Memberships of associations	3		
102 - 14	Statement from senior decision-maker	4-5		
Ethics and integrity	102 - 16	Values, principles, standards, and norms of behaviour	16	
Governance	102 - 18	Governance structure	8	
	102 - 20	Executive-level responsibility for economic, environmental, and social topics	8	

GRI Standard Disclosure	Disclosure	Description	Page	Omission
Stakeholder engagement	102 - 40	List of stakeholder groups	7; 9	
	102 - 41	Collective bargaining agreements		One collective agreement in place covering 15% of employees.
	102 - 42	Identifying and selecting stakeholders	9	
	102 - 43	Approach to stakeholder engagement	9	
	102 - 44	Key topics and concerns raised	9-10	
Reporting practice	102 - 45	Entities included	3	
	102 - 46	Defining report content and topic boundaries	3	
	102 - 47	Material topics	9-11	
	102 - 48	Restatements of information	19	
	102 - 49	Changes in reporting	9-10	
	102 - 50	Reporting period	3	
	102 - 51	Date of most recent report	3	
	102 - 52	Reporting cycle	3	
	102 - 53	Contact	50	
	102 - 55	GRI content index	49	
	102 - 56	External assurance		Not undertaken.
Management approach	103 - 1	Explanation of material topics	9-10	
	103 - 2	Management approach	14-46	
	103 - 3	Evaluation of management approach	8	
Material topics				
Economic	204 - 1	Procurement practices	7; 36; 31-32; 34; 38	

GRI Standard Disclosure	Disclosure	Description	Page	Omission
Environmental	302 - 1	Energy consumption within the organisation	40-42	
	302 - 4	Reduction of energy consumption	6; 40-41; 46; 48	
	305 - 1	Direct (Scope 1) GHG emissions	40-42; 46	Emissions factors are sourced from the New Zealand Ministry for the Environment (2020); An operational control consolidation approach has been used.
	305 - 2	Energy indirect (Scope 2) GHG emissions	40-42; 46	Emissions factors are sourced from the New Zealand Ministry for the Environment (2020); An operational control consolidation approach has been used.
	305 - 3	Other indirect (Scope 3) GHG emissions	40-42	Emissions factors are sourced from the New Zealand Ministry for the Environment (2020); An operational control consolidation approach has been used.
	305 - 5	Reduction of GHG emissions	6; 40-42; 46	Emissions factors are sourced from the New Zealand Ministry for the Environment (2020); An operational control consolidation approach has been used.
	306 - 2	Waste	43-46	
	307 - 1	Non-compliance with environmental laws or regulations	Zero non-compliance with environmental laws and/or regulations.	
	308 - 1	Supplier environmental assessment	39	

GRI Standard Disclosure	Disclosure	Description	Page	Omission
Social	401 - 1	Employment - New employee hires and employee turnover	Employee turnover rate – 30.5%	Results are at an aggregate (organisational) level only.
	403 - 1	Occupational health and safety management system	16-20	
	403 - 3	Occupational health services	17-18	
	403 - 5	Worker training on occupational health and safety	17-20	
	403 - 6	Promotion of worker health	20	
	405 - 1	Diversity of governance bodies and employees	Male:Female employee ratio – 4:6 Women in leadership – 43%	Age groups not measured.
	408 - 1	Operations and suppliers at significant risk of incidents of child labour	39	
	409 - 1	Operations and suppliers at significant risk of forced or compulsory labour	39	
	413 - 1	Operations with local community engagement, impact, assessments, and development programmes	6; 12-13; 21-23; 31-32; 36-39; 44	
	414 - 1	Supplier social assessment	7; 39	
	418 - 1	Customer privacy	No substantiated complaints concerning breaches of customer privacy were received in 2021.	
	419 - 1	Non-compliance with laws or regulations in the social and economic area	Zero non-compliance with laws and/or regulations in the social and economic area.	

Let's
get it done
together

We encourage feedback on this Sustainability Report. Please share your thoughts with us at sustainabilityreport@officemax.co.nz

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