

Sustainability

“As a forward-thinking organisation, we are committed to integrating sustainability into our business operations. Our comprehensive strategic sustainability plan encompasses various key areas, building upon our previous materiality assessment and demonstrates our ongoing commitment to environmental responsibility, social equity, and robust governance.”

This past year has been a pivotal one for us, and it started with the country dealing with the aftermath of Cyclone Gabrielle, which underscored the imperative for climate resilience in our operations. Although Cyclone Gabrielle did not significantly impact us directly, it reinforced our responsibility as an active community member to play a crucial role in addressing future climate challenges.

We are proud to present in this annual report our inaugural climate-related disclosures, prepared in accordance with the Aotearoa New Zealand Climate Standards. This milestone achievement is the result of two years of dedicated efforts by our executive team and Board. It symbolises a significant step forward in our commitment to sustainability, as we lay out a comprehensive roadmap for mitigating our climate impact and enhancing our resilience (details of on pages 23-29).

It was a record-breaking fundraising year for our charity partner, Cure Kids, and the donation of a substantial



number of balls to school children through our “Pass it Forward” program. What is also pleasing this year is that we have grown our partnership with the Tania Dalton Foundation including providing support to three young female athletes under the Tania Dalton Scholarship program.

On the environmental front, we have set targets for reducing our scope 1 and 2 emissions by 50% by 2030 and achieving Net Zero by 2050, or sooner. Detailed plans and roadmaps underpin these goals, and we developed them in line with external support and guidance from the Science Based Targets Initiative (SBTi). We’ve also initiated collaborations with our suppliers to address scope 3 emissions, setting the stage for a target to be established next year, with the aspiration of receiving SBTi accreditation.

Also closely linked to our work on scope 3 emissions is our ethical supplier program that we initiated last year with our suppliers. We have continued our partnership with specialist company Verisio to help us conduct audits across our supply chain. Although we know we have a lot of work to do we are pleased with the progress and response from our suppliers, with over 80% of direct import supplier factories having already gone through the initial audit process.

Our journey in waste management has also seen some progress, with a successful pilot program with Eco Central in Christchurch showing promising results. This gives us the confidence to expand our efforts to further reduce waste to landfill whilst also supporting local social initiatives in the communities where we operate.

Understanding that sustainability is integral to our business, we have embedded our sustainability strategy into our overall corporate strategy. This involves the full engagement of our executive team, clearly defining responsibilities, and setting precise targets and goals. We are also enhancing our capacity and capabilities in this area by collaborating with expert external consultants and continue our active participation in the Sustainable Business Council of New Zealand.

We are excited to share these developments with you and look forward to your continued support as we strive to build “Steps for a Better Tomorrow.”

Governance

Our Goal

Ensuring Board and Management’s awareness of the key sustainability issues and implementing effective measures and controls.

In the past year, we have significantly enhanced our approach to sustainable governance by integrating specific managerial responsibilities and establishing consistent oversight by our Board. Sustainability has become a mainstay in our monthly discussions, and we are eager to share our forward-thinking Sustainability Strategy.

Our comprehensive Sustainability Strategy is built upon four key pillars: Governance, Community, Our People, and the Environment. This living strategy is regularly refined through rigorous evaluations and extensive dialogue with our stakeholders.

For each pillar, we set forth an overarching aim, primary focus areas, and the metrics by which we will gauge our progress. We also pinpoint and summarise any emerging trends and ongoing initiatives. Leadership for each pillar rests with a designated senior executive who ensures governance and direct interaction with the Board or its relevant committee.

Future Focus Areas

- Communicating our new policies to our team, suppliers and wider stakeholders.
- Continued training and awareness programs with key teams members.

Our Group Sustainability Strategy

	GOVERNANCE	COMMUNITY	OUR PEOPLE	ENVIRONMENT (CLIMATE, WASTE & SUPPLY CHAIN)
THE GOAL	Ensuring Board and management’s awareness of key ESG issues and implementing effective measures and controls.	Improving community impact via engagement through giving, charity, and shared value.	Ensure we are an employer of choice, safe place to work where our people can thrive.	Taking action on climate change and waste across our supply chain. Implementing a credible plan to achieve net zero emissions and to reduce waste.
KEY AREAS OF FOCUS	Legal and Compliance Public Disclosure & Reporting Key Metrics, Policy & Targets	Expanding our work with our key partners Cure Kids and Pass it Forward	Creating a more diverse and Inclusive culture Reducing both the frequency and severity of work place injuries.	Ethical Supply Chain Ensuring we meet our climate targets Piloting waste reduction programs
KEY METRICS	Progress towards targets	Funds raised Community impact of our efforts	Staff net promoter scores & satisfaction Number of workplace injuries and time off work	Total Emissions & Waste to Landfill
EMERGING TRENDS	Increased customer & consumer expectations More regulation and mandatory reporting	Enhanced awareness of companies impact on local communities, whether positive or negative.	More disclosure on D&I, target expectations. Talent recruitment and retention Tight labor force	Externally verified Net Zero plan and targets. Heightened regulation and awareness. Increased public and investor scrutiny.
LIVE PROJECTS	Climate Related Disclosures Emission Targets	Current Cure Kids and Pass it Forward Partnerships	Existing Health and Safety programs. Include mental health and wellbeing. Already some good progress on gender pay gap.	Ethical Supplier Program Transition from LPG to Electric Forklifts ECO Central Waste Pilot in Canterbury Supplier engagement on scope 3 emissions
KEY OWNER	Chief Financial Officer	Chief Operating Officer	Chief People Officer	Chief Operating Officer

Our People

Our Goal

Our goal is to ensure we are an employer of choice, providing a safe place to work where our people can thrive.

Safe Home Every Day

The past year has seen terrific progress in our goals of reducing both the frequency and the severity with which our team experience workplace injuries. The contributions of many team members throughout the company, alongside a few critical pieces of work have seen us reduce our Total Recordable Injury Frequency Rate (TRIFR), as measured through our ACC performance, by 32% - a tremendous step forward. Keeping our people safe, whether they are team members, customers, or other visitors to our sites remains a focus and is part of our commitment to ensuring they all get home safely each day.

Some time ago we invested in piloting a fit-for-purpose manual handling programme with an external provider.



Our pilot identified the programme and its content as suitable for our operation, but we were challenged in our ability to deliver the training consistently in each of our sites. Changes in technology such as advances in XR (extended reality – a combination of augmented and virtual reality technologies and learning approaches) have enabled us to engage in developing new delivery methods to re-pilot and implement this training.

Although early days, we appreciate the potential these technologies have for consistent, personalised, and embedded learning in good manual handling practices. One of the benefits in enhancing our team's manual handling skills and behaviours through their training at Briscoe Group is that they are skills which are totally transferrable or applicable in their lives beyond the workplace.

We have continued to widen our definition of wellbeing through work with focus groups around the business and feedback sourced through our employee engagement survey. Work not just on mental health and financial wellbeing has been complemented with a review of products and services which contribute to holistic wellbeing of our team, and we have a range of initiatives to take flight in the year ahead.

Investment in our people is investment in everybody's future

The retail sector has long been a contributor to helping individuals become "work ready". As a significant employer of people who either haven't worked previously or who are new to the fast-paced customer facing world of retail, we recognise how important it is to set our people up for success.

The company continues to make significant investments in ensuring our team members are suitably skilled in a wide range of areas including customer service, safe and healthy work practices along with product knowledge. With 800-900 new team members each year, our online learning platform is critical in delivery of much of our content on a just in time basis with learning customised to the role and performance of the individual as they move through their learning pathway.

Complementing our core skills training, our Leadership Development Programme and our suite of Management

Knowledge and Skills modules support the growth of our management team – both in retail operations roles as well as our support functions including our Distribution Centre (DC) team. In 2023 three cohorts totalling 44 of our leaders commenced their learning journey with a further four cohorts totalling 65 people enrolled to participate in 2024.

We continue to invest in our partnership with First Foundation, an organisation creating enormous value to both our team and our wider communities through supporting disadvantaged youth to successfully engage in tertiary education. Alongside the scholarships we fund each year, our partnership includes mentor support by a number of Briscoe Group employees as well as offering the First Foundation team the ability to participate in our own development programmes. We recognise that an organisation of their size typically does not have the scale to run development programmes that we are able to offer and including members of their team alongside our own emerging leaders provides benefits to both parties.

Diversity, Equity and Inclusion

Our team provided valuable feedback in our twice yearly employee engagement survey. It was particularly heartening to see above average scores in both inclusiveness and equity to complement our recognition that seeing greater gender diversity among some of our senior tiers would be preferred. We pay particular attention to feedback from our team on these measures as we know their comments reflects their lived experiences and provides both quantitative and qualitative feedback on both progress and work to be done.

Future Focus Areas

We have work underway to pilot our exciting and revolutionary manual handling training with the support of key trusted partners. This is an exciting project – not because it is leading edge, but because it leverages existing technologies to help in addressing real world problems and has an impact on our team both at work and elsewhere in their lives.

Our focus on a more holistic approach to wellbeing remains a priority and the introduction this year of new products and services, while maintaining or enhancing traditional support such as Employee Assistance for our team is a top priority.

As a leadership team, we are committed to progressing a range of initiatives which would be accurately described as reflecting the "S for Social" in our broader ESG strategy. Although too early to state many details, it's clear that support of new or intending parents in our workforce is an important consideration and that there is a range of options available to us to support members of our team who are expecting additions to their families.



"It's a privilege to be part of a team that delivers exceptional results across such a wide range of measures. None of the contributions made by our teammates throughout the business are taken for granted. They reflect so many elements of our business: a relentless focus on our customers, a capable and committed team, and a culture that binds us together."

Aston Moss
Chief People Officer

Environment

Climate, Waste & Ethical Supply Chain

Our Goal

Taking action on climate change and waste across our supply chain. Implementing a credible plan to achieve net zero emissions and to reduce waste.

Within the environmental pillar of our sustainability strategy, our primary emphasis is on mitigating climate-related impacts, minimising waste and promoting ethical compliance within our supply chain.

We've achieved considerable strides in these domains, having established our inaugural climate targets that encompass Scope 1 and 2 emissions. Additionally, we've successfully conducted a waste reduction pilot in Christchurch. Nonetheless, we acknowledge the extensive journey ahead. We recognise that our most significant environmental footprint stems from Scope 3 emissions within our supply chain. To address this, we are actively collaborating with our suppliers and industry peers and continue to seek external expertise to assist us.

Our Scope 1 & 2 Emission Targets:

“The Board has officially approved our greenhouse gas emission reduction targets for Scope 1 & 2. We are committed to achieving a 50% reduction by 2030 and aim to reach Net Zero emissions by 2050.”

To set these targets we consulted with external experts and also followed the guidance from the Science Based Targets Initiative.

Our direct greenhouse gas emissions (Scope 1) originate from three primary sources:

1. LPG consumption in our forklifts, both in retail locations and our distribution centre.
2. Emissions from refrigerants used in our heating, ventilation and cooling systems (HVAC), prevalent in stores and our head office.
3. Petrol and diesel usage for team member business travel.

To achieve our Scope 1 emission reduction goals, we have outlined the following strategies:

- Transitioning our forklift fleet from LPG to electric power. This initiative is in progress and is targeted for completion by 2025, which is expected to cut our Scope 1 emissions by 35%.
- For refrigerant gases, we'll consistently collaborate with maintenance contractors and property owners to ensure new HVAC installations follow best practices and regulations, prioritising refrigerants with lower global warming potential. This approach aims to cut our Scope 1 emissions by 15% by 2030 alongside planned upgrades.

To achieve our goals of reducing Scope 2 emissions, which are from the electricity we procure, we will:

- Continue enhancing energy efficiency and migrating to modern, eco-friendly store designs.
- Investigate potential avenues for rooftop solar.
- Assess the possibility of selecting a fully certified renewable energy provider in our next energy procurement cycle.

Waste

Waste management remains a significant challenge in the retail sector, and we recognise the importance of intensifying our efforts in this area. Over the past year, in collaboration with specialist providers Eco Central, we have initiated a pilot project across eight stores in the Canterbury region to address this issue. Key elements of this pilot include:

- Redirecting product returns that are in suitable condition, which would typically be destined for landfill, to Eco Central.
- At Eco Central, these products undergo testing and are then either sold or donated to those in need.

The outcome of this initiative has been highly promising. Building on this success, we plan to:

- Extend the pilot to additional regions in 2024.
- Develop a comprehensive circular economy roadmap for our waste management by 2025.



“We are thrilled about the success of our pilot program with Briscoe Group in Christchurch. This partnership represents a significant stride towards sustainable practices in retail.”

The collaborative effort not only reduces waste but also reinforces the idea that, collectively, we can make a positive impact on the environment and community.”

Rob Wilson
Operations Manager
Eco Central

Ethical Sourcing

We have an ongoing partnership with Verisio to help us conduct ethical audits across our supply chain. On track to having 100% of all our direct import supplier factories vetted by the end of 2024.

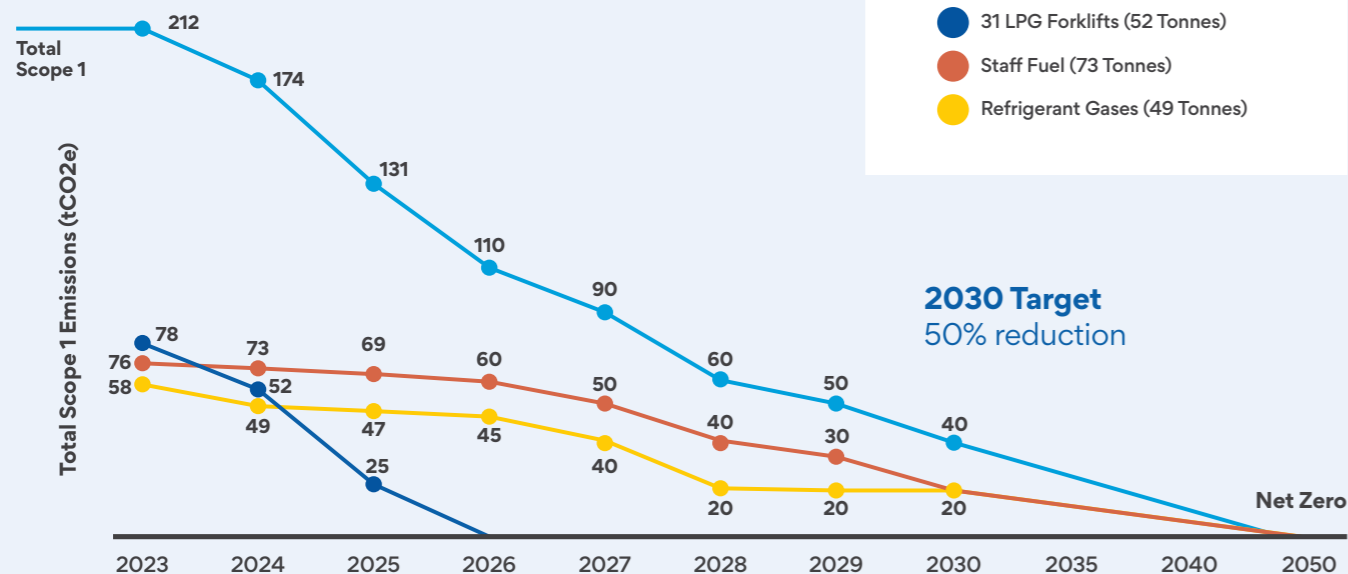
“The global trend suggests an increasing focus on compliance and scrutiny within the supply chain of the retail sector. Entities like The Briscoe Group, backed by strong audit processes and procedures enhanced by reliable technology, are strategically positioned to fulfill upcoming expectations and compliance criteria.”

Leon Reed – CEO Verisio

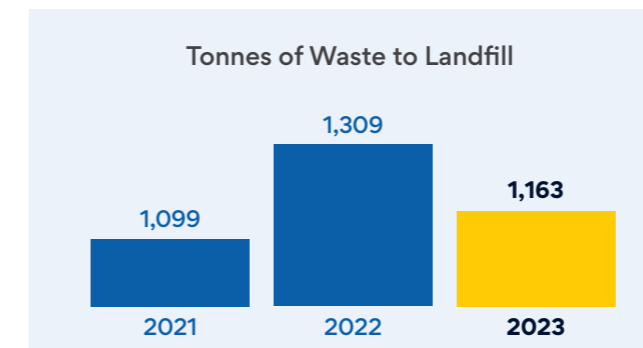
Future Focus Areas

- Scope 3 emissions and targets.
- Expanding waste recovery pilots to other regions.
- Setting waste targets.
- Ongoing work with our suppliers in relation to both ethical audits and Scope 3 emissions.

Our Scope 1 Emissions Reduction Roadmap



Our target was developed by a third party in 2023 based on the Science Based Target Initiative guidance at the time. We're confident in meeting our 2030 targets, but achieving Net Zero by 2050 for our Scope 1 emissions relies on advancements in refrigerant gas technology.



Community

Our Goal

Improving impact via engagement through giving, charity and shared value.

Throughout New Zealand, Briscoe Group remains deeply engaged in community initiatives, extending support to various causes, particularly those centered around youth and sports. Whether it's backing young athletes, furnishing schools with essential sporting gear, or spearheading fundraising for our primary charity, Cure Kids, our collective efforts – comprising of our dedicated team, loyal customers, and vibrant communities – have culminated in a record impact year.

Pass It Forward Initiative



In 2017, in collaboration with the Tania Dalton Foundation and Silver Fern balls, we launched the “Pass It Forward initiative.” With every purchase of a Pass it Forward ball from Rebel Sport, we pledge to donate an identical ball to deserving children in need – it’s a simple concept: “Buy a ball, give a ball.”

In New Zealand, statistics reveal that 1 in 8 children feel excluded from participating in sports due to a lack of necessary equipment. Pass it Forward is dedicated to breaking down this barrier by providing balls to children who need them the most.

Since its inception in 2017, thanks to the unwavering support of our customers, we’ve successfully donated **71,829** balls, valued at **\$1,795,725**, making a tangible impact on the lives of countless children across the country.

Cure Kids

In 2023 we had a record 18 teams take part in the Rebel Sport 24hr Team Challenge at Eden Park to support our key charity partner Cure Kids. For 24 hours teams kept an exercise machine (bike or treadmill) moving continuously.

Thanks to the relentless fundraising efforts of our 18 dedicated teams and the overwhelming generosity of our customers, we are thrilled to announce yet another record-breaking year in fundraising for Cure Kids.

Future Focus Areas

- Providing more support at the local community level.
- Exploring more ways of involving our team members.



“The Cure Kids Board, team and the child health research community are so extremely grateful for the passion and commitment that Briscoe Group demonstrates in their huge fundraising efforts for Cure Kids.

Year on year, the Briscoe Group team go over and above their fundraising targets, in 2023 reaching the highest figure ever raising \$1.15 million, surpassing an overall sum of \$11 million since 2004.

A huge thank you to the wonderful Briscoe Group family, because of your remarkable fundraising efforts over the past 20 years, our tamariki have a much greater chance of living healthier lives with brighter futures”

Frances Bengé
Chief Executive Officer, Cure Kids