



# REAL CARE TINO TIAKI

BELRON NZ  
RESPONSIBLE BUSINESS  
REPORT 2022



## ABOUT THIS REPORT

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This is the third Responsible Business Report for Belron NZ Ltd (Belron NZ) operating under the Smith&Smith®, Laser®, and Exceed brands. This report covers data for the 2022 financial year up to 31 December 2022 (FY22), unless otherwise specified.

This report sets out our achievements and future focus for environmental, social, and ethical issues which Belron NZ can impact the most. Assurance has not been obtained for this report, however Belron NZ's greenhouse gas inventory for FY22 has been subject to limited assurance by Oxygen Consulting in accordance with ISO 14064:2018 (Part 3) (refer Assurance Statement page 42), other data and statements have been internally verified. Financial statements are publicly available in the Belron NZ Limited Annual report for the year ending December 2022.



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## INTRODUCTION

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### Kia ora koutou

Welcome to our third annual Belron NZ Responsible Business Report which demonstrates our ongoing commitment in this area. Once again, in a challenging environment the Belron NZ team has made real progress in this space, and their passion for this journey is heart-warming to see. “Tino Tiaki” ties into our purpose (tā mātou kaupapa) which is to make a difference with real care for Kiwis and New Zealand.

Our responsible business approach is a key pillar of delivering on our purpose and it is wonderful to see the mahi and real care (tino tiaki) that the entire Belron NZ team has around ensuring that we leave Aotearoa a better place for future generations.

Our people have long understood the impact we have on the environment and society, and our sustainability journey was originally led and championed by our people, with support from their leaders. As a result of their efforts, and continued management support, we continue

to lead the vehicle glass industry around recycling of windscreens and have also started to make real in-roads in other sustainable practices around reducing our environmental impact, whilst improving societal outcomes through our giving back programmes. Our strategy is based on scientific targets which we will achieve through real change to our practices, thereby creating sustainable changes to our business and better outcomes for Aotearoa. We are committed to real change in this space, and so while carbon offsetting will be part of our strategy, it will only be where we cannot remove or reduce those areas where we impact the environment.

**Tā mātou kaupapa –  
Our Purpose – is to make a  
difference with real care for  
Kiwis and New Zealand.**

From a sustainability perspective, Covid restricted a lot of our normal travel in 2020 through to 2022, which had a flow on effect to lower emissions. The challenge remains as to how we take the learnings of more remote working and less travel into our new future, whilst still maintaining the strong and inclusive culture that comes from being together. In 2022, we have achieved some great results, including a 36% reduction in our Scope 1 & 2 greenhouse gas emissions since 2019, and in 2022 85% of our waste was recycled.

Our focus also extends to our people and partnerships. It is about who we are (ko wai tātou) and understanding that having a diverse and inclusive team enables creativity and a unique culture that makes us better people and a better business. We have set aspirational targets for 2030, and we know that to be successful in this journey it needs to be people-led. It is also about how we work as a team (me pēhea kātou te mahi tahi) to deliver on our purpose. We've listened to our team members through Our Belron® global engagement survey, and are pleased to have achieved an 81% engagement score in 2022, which while a result we can be proud of, we have aspirations to do even better in 2023. How people want to work, and what they are looking for from who they work for is changing – and we look forward to creating

an even better Belron NZ to help meet our people's changing needs.

We are also excited about the new office and distribution centre that we moved to in Auckland in late 2022. Not only does it create better working conditions for our team, but we have made it more sustainable with the support of our landlords, including planned solar panels on the roof and electric vehicle chargers, to efficient lighting and collaboration spaces for our people, amongst other things. We will continue to re-think all facets of our business, from who we have on our team, to who we partner with, and how we manage our business, because we know that the only way to achieve our ambition is to continuously improve and innovate. What does remain unchanged is our purpose – we make a difference with real care. This is unwavering and is the driving force on our journey to a better, more sustainable business that helps create a better Aotearoa for tomorrow.

It is an exciting journey and I look forward to updating you next year on our progress.



Michelle van Gaalen  
Managing Director



# BUSINESS SNAPSHOT

Belron® is a world leader in vehicle glass repair and replacement services. Home to approximately 29,000 team members, Belron® operates in 39 countries. In New Zealand, up to 31 December 2022, our trading entities were Smith&Smith®, Laser Plumbing & Electrical, and Exceed.



Smith&Smith® has been in business in New Zealand since 1875, starting in Dunedin as a supplier of painting, signwriting, and decorating services. Today, we are proud to be New Zealand's leading vehicle glass repair and replacement company.

Providing exceptional customer service is a top priority for our network which is made up of over 60 corporate branches, Authorised



In 1983, Peter Bassett and David Clemmett, two entrepreneurial electricians, set up their own electrical contracting company, Laser Electrical Ltd. The business grew rapidly with a strong focus placed on outstanding customer service and implementing strong business systems. By 2003, Laser Electrical had become a full franchise business and two years later, Laser Plumbing was launched.

In 2018, Belron®, through Belron NZ Ltd, acquired the New Zealand Laser® franchise



In 2021, we welcomed Exceed to the Belron NZ family. Exceed is a nationwide franchise business, specialising in window and door repairs, security door and insect screen



Dealers, and mobile services nationwide. In 2022, Smith&Smith® served more than 100,000 motorists. Customers can take their vehicle to the corporate branch or Authorised Dealer most convenient for them, or use our mobile service for a windscreen repair, windscreen replacement, or side and rear window replacement.

business. As of 2022, Laser® has over 100 franchisee members and over 1,000 franchisee team members across New Zealand.

The services our Laser® franchisee members offer include a range of residential, commercial, and industrial plumbing and electrical services. Laser Group Services Ltd provides its clients with a national network of plumbing and electrical services and is wholly owned by Belron NZ Ltd.

installation. Exceed was started in 1990 in Wellington, and as of 2022 has grown to 27 franchise territories across New Zealand.

# OUR CULTURE STORY

Our culture story is our expression of who we are and how we work, our aspirations as a business and as people. There are three key elements in our Culture Model:

- + Our Purpose / Tā Mātou Kaupapa
- + How we work as a team / Me pēhea tātou te mahi tahi
  - Driven
  - Caring
  - Collaborative
  - Genuine
- + Who we are / Kō wai tātou



## OUR PURPOSE TĀ MĀTOU KAUPAPA

How we operate and why we do what we do. We make a difference with real care for our customers, our people and teams, our society and our business.

## HOW WE WORK AS A TEAM, ME PĒHEA TĀTOU TE MAHI TAHI

How we want to work together, based on trust, built on debate and differing thoughts, principle and values-based decisions made and supported, and successes shared and celebrated.



## WHO WE ARE KŌ WAI TĀTOU

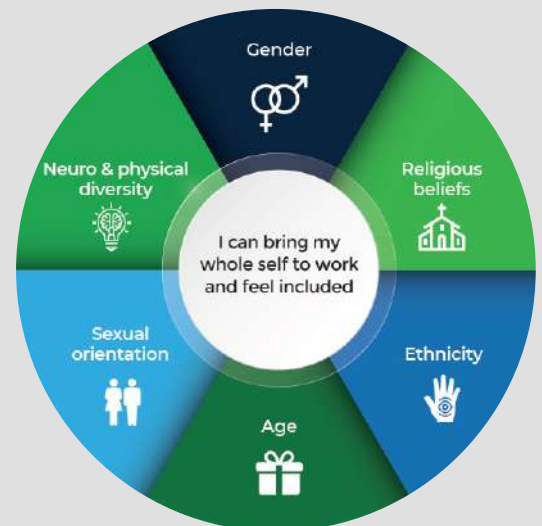
We will have a workplace culture where people feel they belong, can be themselves and bring their whole selves to work (refer Diversity, Equity & Inclusion page 28).

**He aha te mea nui o te ao?**

**What is the most important thing in the world?**

**He tangata, he tangata, he tangata.**

**It is the people, it is the people, it is the people.**



# THE GLOBAL CONTEXT

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The Belron® Group is a signatory of the United Nations Global Compact and we have aligned our Responsible Business Programme with the ten principles of the Compact.

To measure progress for our Responsible Business commitments we undertake external assessments through EcoVadis. EcoVadis assesses more than 100,000 companies in over 175 countries (refer Advocacy page 21).

We are proud to have been awarded the EcoVadis Gold Rating for our sustainability performance for the past six years.

This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards 2021. The GRI Index on page 39 describes the Standards that have been used.





# 2022 HIGHLIGHTS



## PLANET

### Emissions

Roadmap of emissions reduction to 2050 developed



### EV Charging Points

210+ EV charging points installed for Laser customers



### Waste



85% Diverted from landfill  
94% Furniture repurposed in office move



## PEOPLE

### Female Techs



### Giving Back



### TRIFR\*



## PARTNERSHIPS

### Cyber Security



### Ethical Concerns



## AWARDS, CERTIFICATION & MEMBERSHIPS



\*Total recordable injury frequency rate

# THE ISSUES THAT MATTER

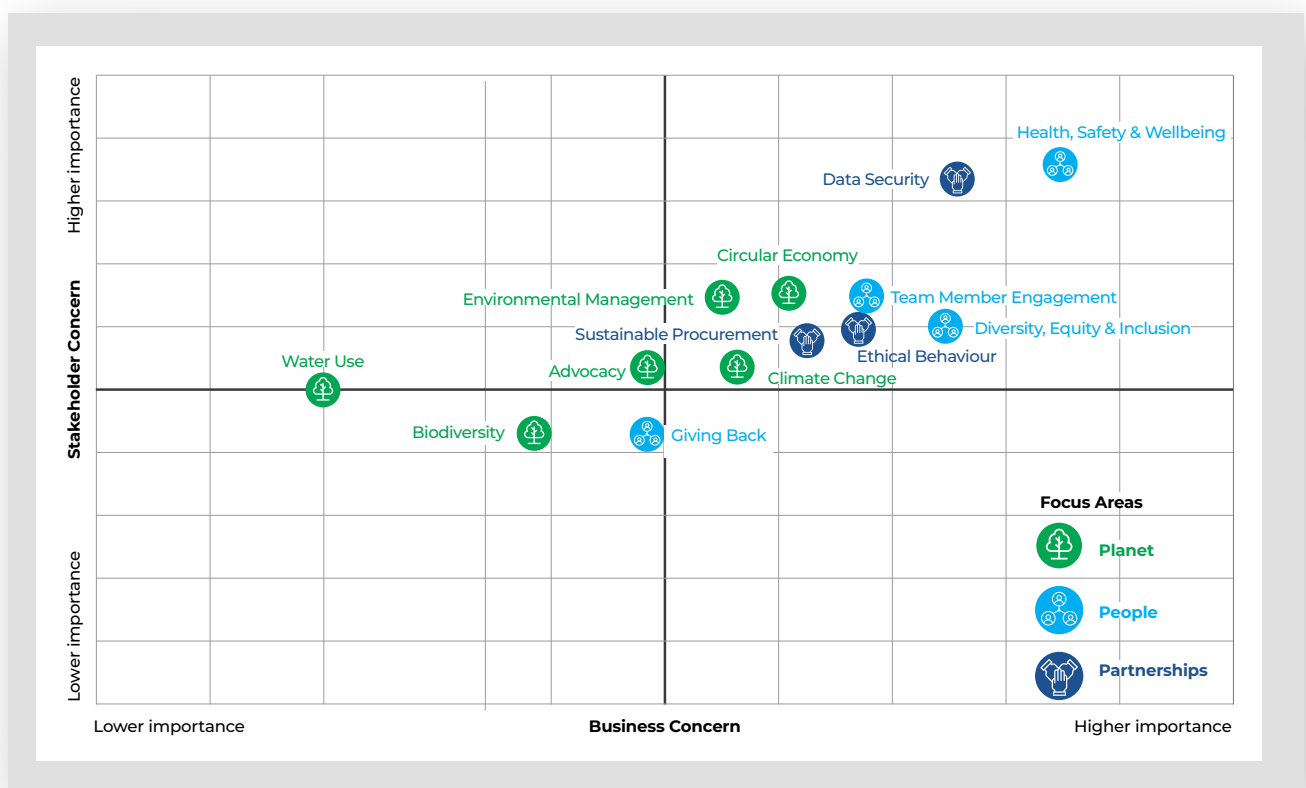
In 2021, we expanded our materiality assessment to include our new internal and external stakeholders at Exceed.

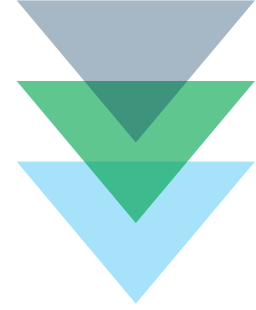
As there were no material changes to our organisation in 2022, we have continued to prioritise our material issues based on our 2021 assessment. The assessment is used to determine what social, environmental, and ethical issues are important for Smith&Smith®, Laser® and Exceed to focus on.

This involves studying current megatrends around the world, industry best practice, and existing internal business commitments in Belron® internationally, such as our

commitment to the UN Global Compact, as well as our performance in New Zealand, as benchmarked by EcoVadis. Based on these, we engage our internal and external stakeholders to determine what issues matter most, and what we should predominantly focus on.

The priorities of our Responsible Business Programme are the issues that were ranked most important by our team members and external stakeholders. These are represented in the top right quadrant of the matrix below.

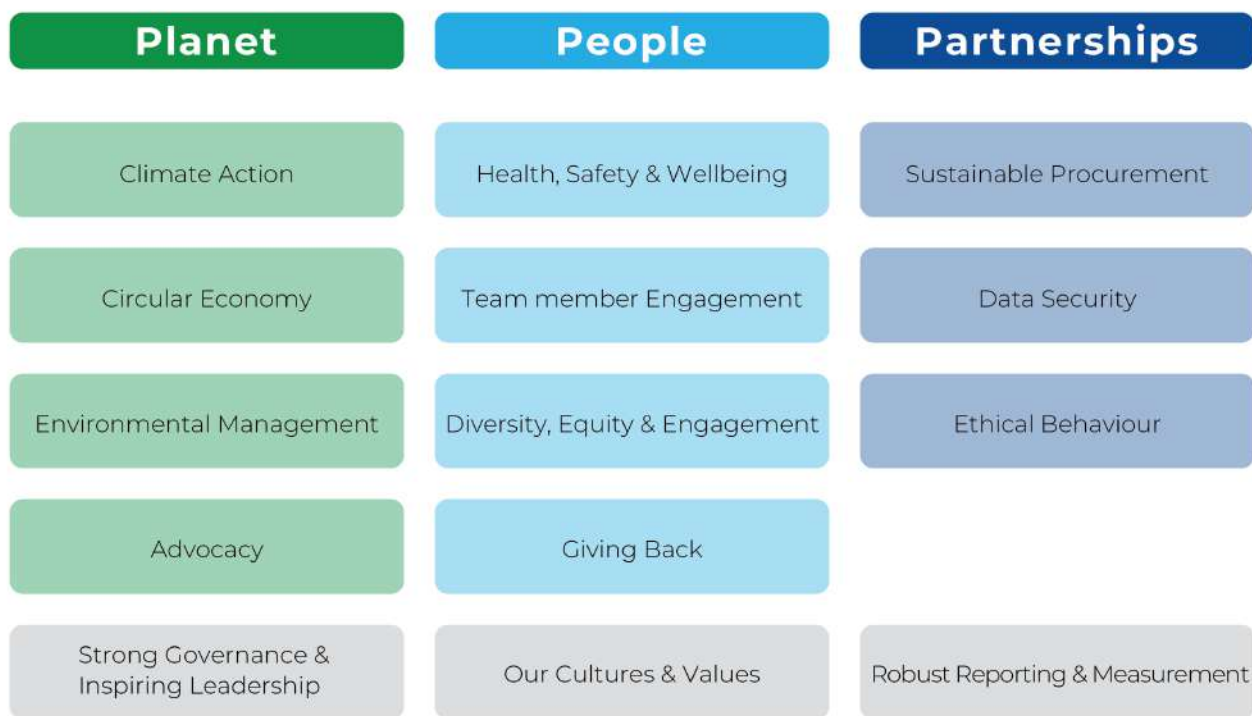




## RESPONSIBLE BUSINESS PROGRAMME

Every day we are united by a common purpose: 'making a difference with real care'. We want to become the most trusted and respected company in the eyes of our people, customer, partners and society, and we will

achieve this by doing the right thing every day and behaving with integrity in everything we do. Our commitment to doing business responsibly stems from our values, it reinforces our culture and Spirit of Belron.



Each material issue has been categorised into one of the three focus areas of our Responsible Business Programme. The Programme and this report, include the operations that we have direct control over in New Zealand, including our Smith&Smith® support office, distribution centres and corporate branches, the Laser® support office, as well as the Exceed support office and warehouse.

As a responsible business, we also aim to influence operations out of our direct control, such as our supply chain, customers, Laser® and Exceed franchisees, and Smith&Smith® Authorised Dealers.

## AWARDS

We are proud to have been the recipient of three sustainability awards in 2022 for the work that supports our Responsible Business Programme, including:

### **EXCELLENCE IN ENVIRONMENTAL, SOCIAL AND GOVERNANCE CHANGE AWARD**

Australian and New Zealand Institute of Insurance and Finance (ANZIIF) New Zealand Insurance Industry Awards



### **CORPORATE SOCIAL RESPONSIBILITY (CSR) STRATEGIES**

Insurance Business 5-Star Award

### **DIVERSITY, EQUITY & INCLUSION AWARD** (REFER DIVERSITY, EQUITY & INCLUSION PAGE 28)

Insurance Business 5-Star Award



Taryn Pearce accepts an award on behalf of Belron NZ

# THE SUSTAINABLE DEVELOPMENT GOALS

The 17 global goals set by the United Nations in 2015, called the Sustainable Development Goals (SDGs), define global sustainable development priorities for the planet. We have identified the four goals which we can contribute the most to. The SDGs have

challenged us to stretch our commitments further and we have aligned our Responsible Business Programme with the relevant SDGs for each focus area.



## FOCUS AREAS

### Planet



#### SDG

#### Material issue



Circular economy  
Page 19



Climate change  
Page 16

### People



#### SDG

#### Material issue



Team member engagement  
Page 25



Diversity, equity & inclusion  
Page 28

### Partnerships



#### SDG

#### Material issue



Sustainable procurement  
Page 33



Diversity, equity & inclusion  
Page 28



Circular economy  
Page 19



Climate change  
Page 16

# NEW SUPPORT OFFICE & DISTRIBUTION CENTRE AUCKLAND

In late 2022 we moved our Auckland distribution centre and combined our Smith&Smith® and Laser® support offices to our new home in Mt Wellington, Auckland. The new, larger distribution centre allows us to store our glass in one Auckland location, and enables us to cater for future growth, in particular because modern windscreens with technology embedded in them take up more space per screen.

The new support office move consolidated our previous two Auckland locations into a single, modern, fit-for-purpose headquarters in the same location as the distribution centre. Careful consideration went into choosing the new location and building fitout to improve sustainability through the use of natural and modern lighting, wellness and collaboration spaces and improved waste and recycling management.

During the office fitout any redundant furniture and equipment was offered to our team members first to help with their home office set ups, all remaining furniture was removed by Junk2Go and we're pleased that 94% of the equipment removed was repurposed to various charitable organisations in Auckland rather than ending up in landfill.

We are thrilled that our new environment supports Our Way of Working (refer Ethical Behaviour page 36), as we strive to create high performing teams and an environment where our people can be at their best and in a job they love. The new office environment allows us an enhanced space, designed with health, safety and wellbeing in mind, with great facilities, places for breaks and downtime, collaborating and getting together.

**94%**  
of furniture repurposed



**December 2022**

**Official opening of the  
New Support Office &  
Distribution Centre.**

# P L A N E T





# PLANET

How we treat our environment reflects our ethics and we take our responsibility for the environment seriously. We are committed to minimising our environmental impact within our business and also with our

business partners, and we will respond to our environmental challenges by growing our business in a manner that is responsible and environmentally sustainable where possible.

## CLIMATE CHANGE

*Aim to achieve a carbon neutral target that is grounded in science by actively working to reduce our emissions.*

In 2022, we cemented our commitment to our emission reduction target that aligns with the Science Based Target Initiative methodology, by developing an emission reduction roadmap, setting out our climate action to 2030, and including our long-term target to achieve net-zero emissions by 2050. We also continued the transition of our passenger fleet to low emission vehicles. In 2022 eight more low emission vehicles were introduced to the fleet, bringing the total number to 10. Our fleet accounts for approximately 70% of our direct (Scope 1 & 2) emissions, so this transition is an important part of reaching our Science Based Target.



**BELRON NZ COMMITS TO REDUCE SCOPE 1&2 GHG**

**↓ 46%**

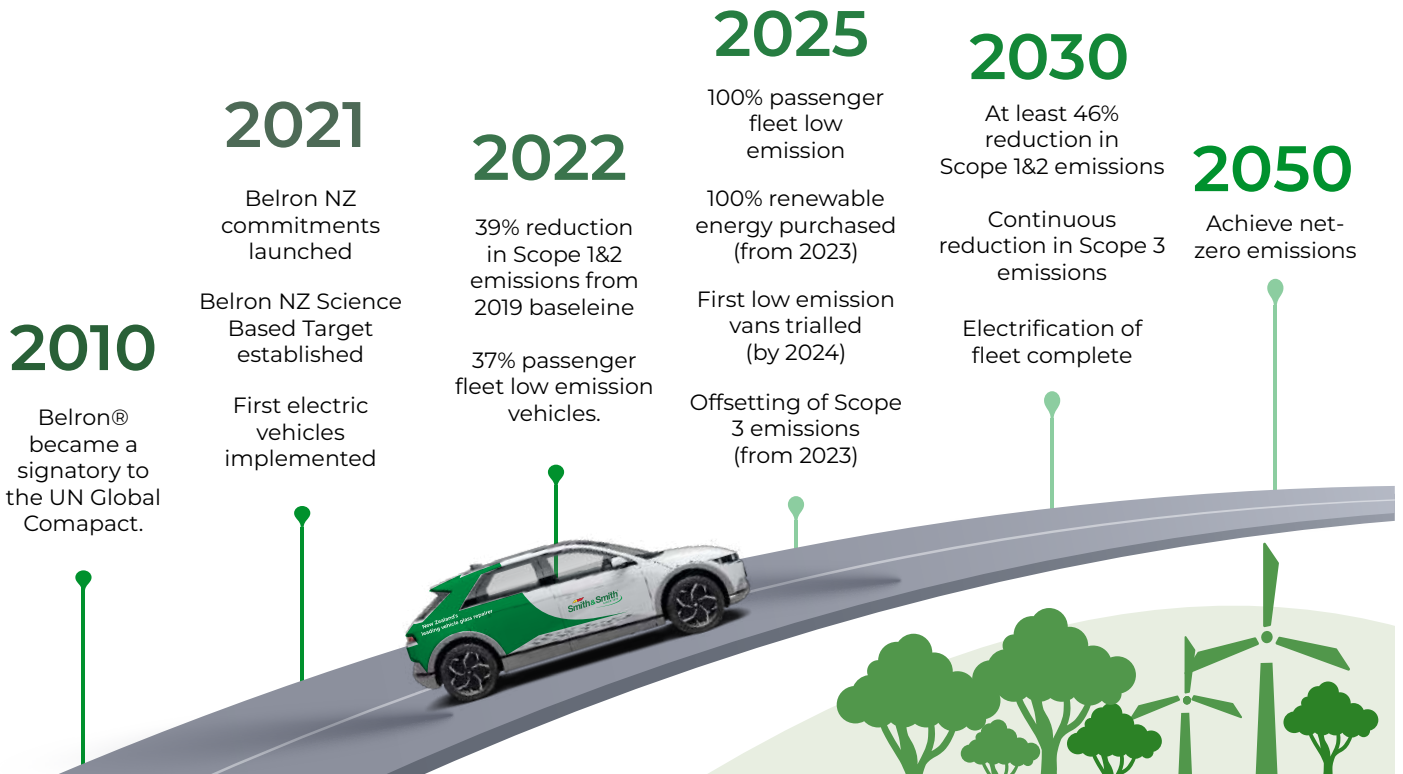
compared to 2019 baseline



Smith&Smith EV Fleet Vehicles.



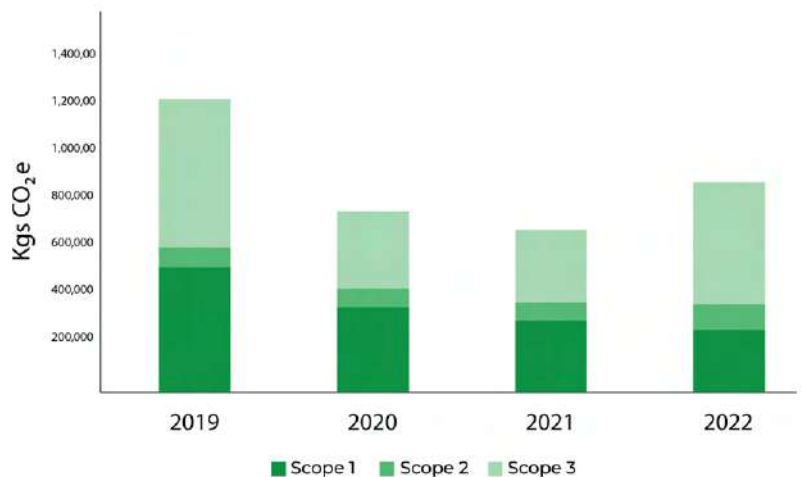
# Our Journey to Net-Zero



Our direct greenhouse gas (GHG) emission reduction was 39% compared to a 2019 baseline. This reduction is partially a result of a reduction in job volume throughout the year due to COVID and other impacts. An estimated 3% reduction can be attributed to the two electric vehicles that were introduced in 2021, and we are still seeing the emission reduction benefits of initiatives implemented in 2020. We look forward to seeing further GHG emission reduction through our low emission vehicles introduced in late 2022.

Our total GHG emissions in 2022 were 28% lower than our 2019 baseline. As expected, we saw an increase in our total emissions between 2021 and 2022, largely a result of the resumption of international travel, as the restrictions imposed due to the COVID-19 pandemic were lifted.

We are committed to continuing to look at ways that we can maintain lower emissions despite the increase in travel



Total GHG Emissions

**2022 Scope 1 & 2  
GHG emissions**

**↓39%**

compared to 2019  
baseline

**2022 total  
GHG emissions**

**872**

tCO<sub>2</sub>e  
(1,211 in 2019)

In 2022, we put focus on our indirect emission reporting by reviewing our current Scope 3 boundaries. By increasing the scope of our indirect emission reporting, we hope to identify additional areas where we can influence our value chain and overall emission reduction.

Indirect greenhouse gas emissions in our value chain remain a key focus of our climate change goals, as well as those we influence

directly. We are focused on being part of the solution, and we are proud that Laser® is working to improve New Zealand's electric vehicle charging infrastructure by facilitating the installation of electric vehicle charging stations for our customers. In 2022, Laser® installed more than 210 electric vehicle charging points nationwide across our commercial and residential customer base.

**Electric Vehicle Charging Points**

**210+**

**Installed for customers in 2022**

In 2023, we will continue to focus on our direct emissions via our vehicle fleet, as well as increase our focus on our electricity consumption. We will also work across our value chain of business partners with an aim to reduce our indirect (Scope 3) emissions.



**TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE  
AND ITS IMPACTS**

**SDG Target:** Integrate climate change measures into national policies, strategies and planning

**Belron NZ Goal:** Aim to achieve a carbon neutral target that is grounded in science by actively working to reduce our emissions.

**CLIMATE CHANGE**

***Ensure our business future by assessing and mitigating our climate change risks***

As well as looking at how our activities impact the climate, we are looking at how climate change impacts us. In 2022, we undertook a risk assessment to understand how our business might need to adapt to the physical risk of climate change impacts in the future, and potential risks and opportunities arising from the transition to a low emission economy.

In 2023, we'll take this further, by including significant climate-related risks on our Risk Register (refer Governance, page 37) and reporting on these through our Responsible Business Programme .



TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS

- SDG Target: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.
- Belron NZ Goal: Ensure our business future by assessing and mitigating our climate change risks.

## CIRCULAR ECONOMY

*Contribute to New Zealand's circular economy by striving for responsible resource use, waste minimisation, reuse, and recycling*



Waste and recycling are a big focus for us at Belron NZ, whether that's recycling of glass, cardboard, paper, plastics or mixed recyclables from all our locations. We're constantly on the lookout for how we can waste less and recycle more. In 2022, 85% of our total waste was diverted from landfill – that is over 1,000 tonnes.

Our biggest waste area is the glass from our vehicle glass replacement services. At Smith&Smith® we repair chipped windscreens where possible rather than replacing them, saving over 40,000 windscreens from disposal in 2022, and we were the first vehicle glass replacement provider in New Zealand to implement a nationwide programme to recycle windscreen glass with our partner 5R Solutions. In 2022, approximately 91% of our windscreen glass waste was recycled into

bottles, glass wool insulation, pool filters and was even used in sandblasting. We saw a steady increase in our recycling rate in 2022, due to the expansion of our windscreen recycling programme to include our network of Authorised Dealers in late 2021, and we look forward to increasing our recycling rate further as more Authorised Dealers take up the programme.

Going forward, we continue our focus of influencing those in our value chain to waste less and recycle more, and we will look at more ways that we can prevent waste from our activities occurring in the first place. We commit to working with our business partners to strive for responsible resource use in the products we source (refer Sustainable Procurement, page 33).



## ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS

**SDG Target:** By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

**Belron NZ Goal:** Contribute to New Zealand's circular economy by striving for responsible resource use, waste minimisation, reuse and recycling.

## ENVIRONMENTAL MANAGEMENT

*Commit to reducing pollution as a result of our activities by mitigating and managing risk*

At Belron NZ we care about the impact our business has on the environment and we recognise our responsibility to reduce it. In 2022, Belron NZ was not issued any environmental legal non-compliance notices or fines by a regulatory body and there were no environmental incidents reportable to regulators.

In 2022, our environmental management system was recertified to the Toitū enviromark® Diamond programme (ISO 14001 equivalent), including our Exceed business in the scope of the certification. Our environmental management system helps us to identify, monitor and manage our activities that have an impact on the environment,

through a culture of continual improvement.

We continued our focus on the correct storage, handling and disposal of hazardous substances we hold and use at our sites, integrating our health & safety and environmental management systems and working with our business partners to reduce pollution risk.

In 2023, we will review our emergency response and incorporate environmental management requirements into the implementation of the Safe 365 platform (refer Health, Safety and Wellbeing, page 25).



### 2022 environmental compliance

0

fines, notices, breaches

0

reportable spills

## ADVOCACY

*Partner with other responsible business leaders to help increase our positive environmental impact.*

It is important to us that we partner with other responsible business leaders, so in 2022 we joined the Sustainable Business Network (SBN). The SBN is a network of over 500 New Zealand businesses, working together to improve climate, waste and nature impacts. Being a SBN member means we have access to their training, events and resources as well as areas we can collaborate and take action with other likeminded organisations.

We also aim to inspire other businesses in our value chain and beyond to advance their responsible business journeys. We will do this by verifying our progress through recognised standards, including working to improve our EcoVadis score further in 2023 (refer The Global Context, page 8).

EcoVadis is a world leading environmental, social, and ethical business



performance rating scorecard, assessing businesses on 21 recognised sustainability criteria. Organisations are given a score between 0-100 that reflects the quality of their company's sustainability management system. As at January 2022, to achieve a Gold rating, companies must have achieved an overall score between 67 and 74, and a Platinum rating was an overall score between 75 and 100. In 2022, Belron NZ's EcoVadis rating was Gold (73/100), which was a six point improvement on our 2021 score.

### 2022 EcoVadis rating

**GOLD**

73/100

**TOP 5%**

of companies  
assessed by EcoVadis

We acknowledge our responsibility to influence our value chain to be responsible businesses, whether that be our Laser® Members, Exceed Franchise Owners, Smith&Smith® Authorised Dealers, or our other business partners (refer Sustainable Procurement page 33). We commit to

engaging anyone we work with in our Responsible Business Programme and in 2023 we will focus on raising awareness among our Trade Service members and Authorised Dealers.



# PEOPLE





## PEOPLE

Everyone at Smith&Smith®, Laser® and Exceed is expected to behave in a way that ensures we create healthy and safe working environments for our team members, customers, and suppliers. We are also committed to a working environment where everyone is treated with respect, by encouraging diversity, equity and inclusion in our workplace, providing fair working conditions and developing a highly engaged workforce.

### HEALTH, SAFETY & WELLBEING

*Promote and grow a health, safety, and wellbeing culture across our business by doing all we can to ensure our people and customers go home safe each day.*

Health, safety, and wellbeing were ranked the most important issues that we should focus on by our internal and external stakeholders (refer The Issues That Matter, page 10).

Through our health and safety management system, we provide our team members with the training and skills to feel confident in their roles, including stringent safety procedures for our technicians so that they can deliver to the highest technical standards. We aim to minimise the hazards inherent in our working environment and deal with issues that pose a threat to health, safety, and wellbeing.

In 2022, COVID-19 continued to impact our operations. We were early to take up the opportunity to acquire approved rapid antigen tests (RATs) in January 2022, and a selection of our team members were trained by Bodycare on correct use of the tests. The early adoption of RATs at all our locations, enabled us to continue to operate safely as an essential service for our team and our customers at all alert levels, through being able to detect infections early.

In our role as a corporate citizen, giving back is an important part of our way of working where we aim to play a strong role in the communities we operate in and be here for good. We are determined to play an active role in our local, national, and global communities and we encourage our people to do the same.

We also maintained our focus on driver behaviour, and we saw an ongoing reduction in overspeed incidents. In 2022, overspeed incidents reduced 59% compared to 2021, and in September, we had zero incidents where our drivers exceeded Belron NZ overspeed limits.

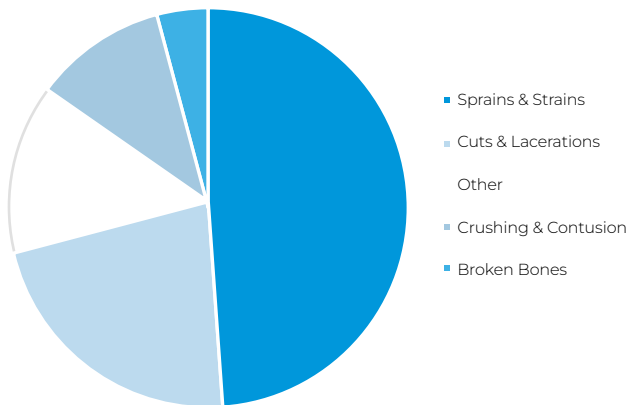
#### OVERSPEED INCIDENTS

↓ 59%

in 2022 compared to 2021

Throughout 2022, we continued to monitor trends in our accident types and accident frequency to better understand and manage safety issues. This analysis identified manual handling injuries as an area for us to focus on, so in late 2022, we launched our 'Easy As 123' campaign to reduce the number of manual

handling injuries impacting our team, to ensure they go home safe every day. The campaign involves targeted stretches for common injury prevention to be completed every day before our distribution and branch teams start work. We look forward to seeing the 'Easy As 123' campaign contribute to a reduction in manual handling injuries

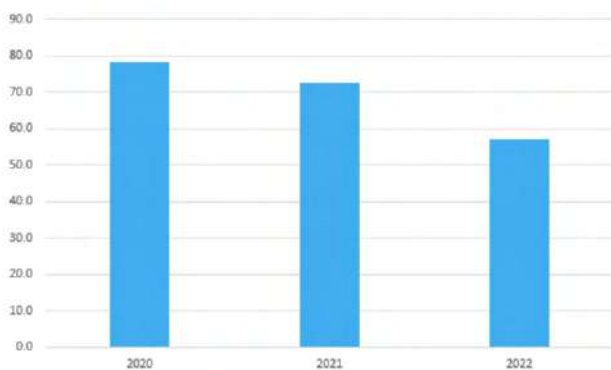


Injury Types



'Easy As 123' warm up exercises in action

We continued to see a decrease in our total recordable injury frequency rate (TRIFR) in 2022, 57.2 per million hours worked, compared to 72.4<sup>1</sup> in 2021. It is likely that this is due to an increase in accident and incident reporting, part of our culture journey, which encourages our team members to speak up and speak out, to protect themselves, their workmates and our customers.



Total Recordable Injury Frequency Rate

**TRIFR**  
(Total Recordable Injury Frequency Rate)

**↓ 21%**

in 2022, compared to 2021<sup>1</sup>



We are proud to have achieved Impac Prequal certification in 2022. Impac confirms we have the systems and processes in place to manage our health and safety.

Our policies, practices and processes have been independently assured by Impac and our certification verifies that we recognise the importance of contractor management, that we take health and safety seriously and we are committed to doing the right thing.

<sup>1</sup>A retrospective adjustment to the 2020 and 2021 figures has been made due to a formula error. The 2021 TRIFR is restated from 72.7 to 72.4, 2020 TRIFR is restated from 121.4 to 78.3.



In 2023, we will focus on the implementation of Safe365, a digital health, safety and environmental system that will enable us to assess, manage, report and improve our performance. We will also continue the rollout of our 'Easy As 123' campaign and Puataunofu training; and update our emergency procedures.

The wellbeing of our team is just as important to us as keeping them physically safe. In 2022, we launched B4me – our one-stop recognition, rewards & wellbeing platform (refer Team Member Engagement, page 26). B4me's Wellbeing Centre is an

online portal designed to help our team members be the best they can be, whatever stage of their wellbeing journey, age or ability. We also ran campaigns to raise awareness for Mental Health week in September and men's mental health, prostate and testicular cancer awareness for Movember in November.

In 2023, our wellbeing focus continues to be on our team members' personal wellbeing and that of their wider whānau, through awareness raising initiatives and the implementation of a Southern Cross Health Essentials plan for all our permanent employees.

## TEAM MEMBER ENGAGEMENT

*Create fair and meaningful careers by building a culture of proactive engagement and high performance.*

We know our team are a key part of our success and are at the heart of everything we do. We are committed to providing our team members with opportunities to grow and we strive to have an open and honest working culture.

In October 2022, we conducted our annual global Our Belron® listening survey, which measures employee experience, engagement, and values. Everyone who has been with us for at least a month can take part in the survey, and we undertake regular pulse surveys to check how we're doing and what progress we're making. Belron NZ has maintained engagement scores of over 80% over the last 3 years, which is a positive indicator of our resilience in what has been a testing time for us all.

We continue to focus on what we do well, while also working on the areas of opportunity where we can do even better. The next check in survey will be in March 2023 and the annual survey will take place in October 2023.



2022 engagement score

81%

response rate

83%



Our culture of continuous recognition at Belron NZ, means we appreciate and acknowledge achievement, effort, success, and service throughout the year. In 2022, we launched B4me, our one-stop recognition, rewards and wellbeing platform. As well as housing our wellbeing centre (refer Health, Safety & Wellbeing, page 25), B4me is our home for Belron NZ team members to recognise and show appreciation for great work, and access and explore amazing discounts at popular retailers. It empowers our people to say thank you and recognise each other more often, quickly and easily. Team members can select from a range of e-Cards to instantly recognise their teammates and our

people leaders can acknowledge their teams for making a difference with real care using Instant Awards, which include a monetary award and is shared on the social recognition wall.

Our existing values-based awards programme, Reach, is now conducted through B4me and has been developed specifically to recognise and reward individual team members who strive to go above and beyond, and have demonstrated two or more of our values of Driven, Caring, Collaborative, and Genuine. Any team member can nominate another, and our executive team select the successful recipients. Recipients are rewarded with a wellbeing paid day off or a one-off wellbeing activity payment.

## Driven | Caring | Collaborative | Genuine

Our Belron NZ Annual Awards have been running since 2009 and aim to recognise individuals and teams who have made an outstanding contribution to our business over the year. Anyone can nominate another team member in any of eight categories. In 2022, we were able to hold our first in-person awards evening since 2020. We had a record breaking 140 nominations for team members across the business.



For the first time since 2019, Smith&Smith® technicians put their vehicle glass repair, replace and recalibration skills to the test in a competition to find the Best of New Zealand (BONZ). The competition showcases the Belron® Way of Fitting and entails interviews, tests and fitting glass, including customer service, car care, health and safety and more, and they must demonstrate their skills to the highest level. In 2022 Gavin Wairau, Leading Hand Palmerston North Branch was our

BONZ winner, coming out as the winner against 12 other Smith&Smith® technicians in what was a very close competition. Gavin, then headed to Barcelona in June 2022 to represent New Zealand and compete against the best technicians from across our Belron® family of international businesses for the honour of being the 'Best of Belron'. We're so proud of Gavin winning fourth place against such a high calibre of technicians from around Belron® group.



In 2022, we continued our transition to our new global human resources information system (HRIS), Workday. The new system provides connectivity across the areas of payroll, people management systems, talent, learning, career, and development planning. The system's benefits also include better visibility and reporting, as well as insights into risks such as retention issues. During 2022, we transferred our learning management system to Workday Learning. Our 350 online modules are now conducted entirely through the Workday system, and complement our face-to-face technical and safety assessments, leadership, induction and technical training programmes, such as our Belron® Way of Conversations programme for people leaders. In 2022, our team members completed an average of five online training hours per full-time equivalent (FTE) on our online learning platform.

### 2022 Online Course Completions

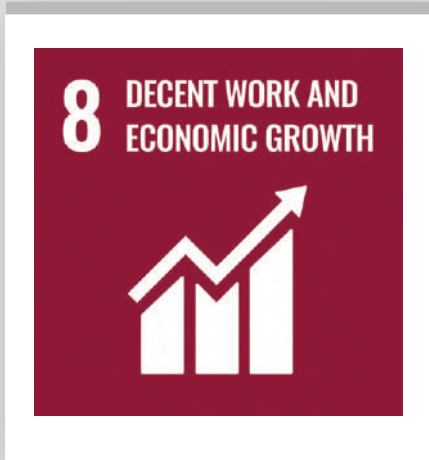
# 5

average hours per FTE, compared to 2.62 in 2021<sup>2</sup>

In 2021, we aligned our core remuneration principles with the living wage. A living wage is the hourly wage a worker needs to pay for the necessities of life and participate as an active citizen in the community. The living wage is a recommended rate calculated independently each year by the New Zealand Family Centre Social Policy Unit, and at Belron NZ our living wage commitment is that on 6 months service and completion of training requirements, our team members will be on no less than the living wage. We see providing our team members with a minimum of the living wage as an important step in the reduction of poverty in Aotearoa.

In 2023, we will rollout a new Belron® Way of Performance Framework to help our team members perform at their peak and bring their best selves to work every day. We will also provide more in-depth sessions on goal setting, development conversations and career planning to support our leaders to fully embrace the new way of managing performance.

<sup>2</sup>Restated from 2.2 reported in 2021, due to change in FTE calculation methodology



PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT AND DECENT WORK FOR ALL

**SDG Target:** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services

**Belron NZ Goal:** Create fair and meaningful careers by building a culture of proactive engagement and high performance

## DIVERSITY, EQUITY & INCLUSION

*Diversity, Equity and Inclusion is a core enabler for our exceptional people experience, where our people thrive, are safe to speak up and contribute their ideas.*

At Belron NZ, we aim to encourage diversity of thinking, innovation, and continuous improvement. Our diversity, equity, and inclusion (DEI) model is one of the foundations of our Culture Model (refer Our Culture Story, page 7). It is who we are, ko wai tātou, and supports our workplace culture so that we can be a strong, inclusive organisation where team members feel safe to be themselves and thrive at work. In 2022, we expanded the scope of our DEI model to include neuro as well as physical diversity.

In 2022, through Our Belron® annual listening survey we continued our focus on DEI by including the same five DEI specific questions as the 2021 survey. Again, we scored over 80 out of 100 in the DEI metrics which is encouraging, however we did see a small reduction in some areas, and that is where we will place our focus in 2023.



**Diversity, Equity & Inclusion Score**

**82**

5 points above New Zealand norm

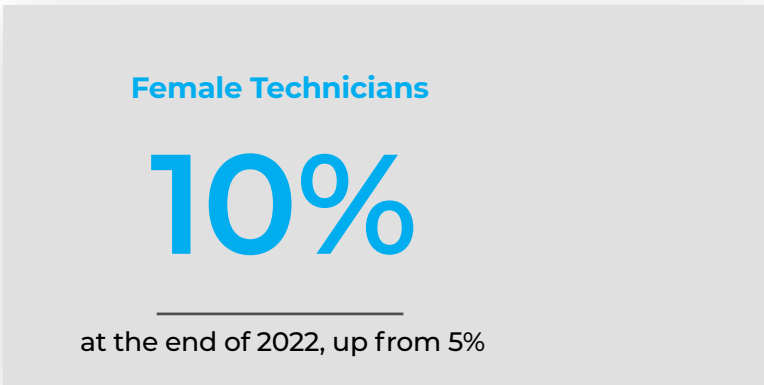
Throughout 2022 we continued to implement our DEI strategy. Our DEI Advisory Group organised celebrations for 10 events that our Belron NZ team members told us were important to them, ranging from Pride Month, Diwali, and Chinese New Year to Māori Language Week.

To coincide with International Women’s Day, we launched Lean In Circles, to create a space where women at Belron NZ can come together in small groups across roles and levels to get peer-to-peer mentorship, connect with each other, recognise and combat gender bias, and build leadership skills. International Women’s Day 2022’s theme was #BreakTheBias, and our Lean In Circles are our first step to focusing on unconscious bias. In 2023, we will continue our emphasis on our recruitment processes to remove unconscious bias.



TV Commercial featuring female technician.

We have set an ambitious goal, that one third of our Smith&Smith® technicians will be female by 2030. By the end of December 2022, we already reached our 2023 target of 10% female technicians - an increase of 5% from the start of 2022 - so throughout 2023 our focus will be on increasing our female technicians to at least 15%. To encourage female technicians to join and stay with our business, so far we have reviewed our recruitment process and launched our first TV commercial featuring a female Smith&Smith® Technician. We are also reviewing our locations across our network to ensure the facilities we provide are suitable for all our team members.



In 2022, 57 % of our Executive Team were women (refer Governance, page 37) and overall, 40% of our workforce were women – a 1% increase on 2021.



**REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES**

**SDG Target:** By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.

**Belron NZ Goal:** Diversity, Equity and Inclusion is a core enabler for our exceptional people experience, where our people thrive, are safe to speak up and contribute their ideas.



## GIVING BACK

*Play a strong role in our communities by Giving Back to the communities in which we operate*

We deeply believe that we have a responsibility to give back to our communities as we strive to make a difference with real care, both locally and overseas. We call our approach to community investment Giving Back. It is based on a commitment to connect our business and our people to our communities in ways that make a meaningful impact.

Our established Giving Back Committee of dedicated volunteers aims to provide support and opportunities for our team to engage in activities to support chosen charities, provide opportunities for personal growth experiences, celebrate diversity of our team and our business, and increase awareness and support our Responsible Business Programme.

In 2022, we continued our national partnership with Lifeline Aotearoa across Smith&Smith®, Laser® and Exceed. Lifeline has been helping Kiwis in crisis for almost 60 years and receives over 10,000 calls per month from people who are struggling with a wide range of issues. In 2022, we donated over \$69,000 to Lifeline, which is enough to fund almost a week's worth of calls for help. Our donation was fundraised through organised activities like raffles, silent auctions, the Laser® Conference, and the Smith&Smith® Authorised Dealer Conference.



Throughout the year our team support other charities and events such as the Salvation Army, and the team at Exceed also support a charity, The Heart Box, that was originally set up by Exceed.

Internationally, we support Afrika Tikkun through our Belron® Group global giving back initiative. Afrika Tikkun is a non-profit organisation dedicated to the eradication of poverty in South Africa. Since 2016, we have participated in the Spirit of Belron® Challenge, a five-day event, connecting people from all over the world in support of Afrika Tikkun.



In 2022, in New Zealand we had 168 participants who swam, walked, ran, wheeled, and biked 4,050 kilometres for Afrika Tikkun, and we raised NZ\$46,094. The Belron® Group raised in total €2.2m. In 2023, we continue our support of Afrika Tikkun and the Spirit of Belron® Challenge.

### 2022 Spirit of Belron® Challenge

**4,050km**

Travelled by Belron® NZ for Afrika Tikkun  
(3,711 kms in 2021)

**> \$46k**

Raised by Belron® NZ for Afrika Tikkun  
(>\$40k in 2021)

# PARTNERSHIP







## PARTNERSHIPS

The relationship we have with our business partners is key to our success and is supported by our ethical principles. We expect our partnerships to operate in an environment free from corruption or anti-competitive behaviour, and to have robust data security processes to ensure we protect our, and our customers' data, from potential breaches through external connections to systems.

We also aim to source products and services from a supply chain that focuses on ensuring environmental impacts such as pollution, waste and greenhouse gas emissions are minimised, and that human rights are met, including that our business partners comply with child & forced labour laws.

## SUSTAINABLE PROCUREMENT

***Minimise the social and environmental impact of our supply chain by procuring quality products and services from responsible sources***

As new suppliers come on board and existing suppliers renew their agreements with us, they are accepting our Business Partners' Code of Conduct which sets out the minimum standards of behaviour that we expect our business partners to meet in the areas of labour and human rights, health and safety, environment, business integrity, privacy and supplier diversity. Compliance with the minimum requirements outlined in each area is increasingly part of new supplier agreements for conducting business with Belron NZ.

We respect and support responsible labour practices as set out in the UN Universal Declaration of Human Rights and the UN Global Compact, and we expect our business partners to comply with all laws and respect and support the protection of human rights of workers, as well as individuals and communities affected by their activities.



In 2022, we continued developing our sustainable procurement framework objectives which will be built on in 2023, through our membership with the Sustainable Business Network (refer Advocacy, page 21). With Modern Slavery legislation proposed for New Zealand, we are looking to review our toolbox of policies, processes and agreements to ensure they comply with legislative requirements and how they impact on our customers, suppliers, team members, franchise owners and authorised dealers.



**PROMOTE SUSTAINED, INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT, AND DECENT WORK FOR ALL**

**SDG Target:** Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.



**REDUCE INEQUALITY WITHIN, AND AMONG, COUNTRIES**

**SDG Target:** Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.



**ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS**

**SDG Target:** By 2030, achieve the sustainable management and efficient use of natural resources.



**TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS**

**SDG Target:** Integrate climate change measures into national policies, strategies and planning.

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**Belron NZ Goal:** Minimise the social and environmental impact of our supply chain by procuring high quality products and services from responsible sources.

## DATA SECURITY

*Build trust with our customers, franchise members and authorised dealers by ensuring all data is kept secure*

We take responsibility for ensuring that we keep confidential customer information that we hold, including information obtained by our business partners and provided to us.

Our Privacy Policy outlines how we deal with personal information and everyone at Belron NZ must understand and comply with all relevant policies, guidelines and rules governing data protection and privacy.

Our information security governance structure includes formal governance group meetings, a Data Breach Policy (which deals with mandatory data breach reporting obligations), Data Breach Response Plan, risk register and security incident log. We also have a nominated Privacy Officer, and our website includes information on how to contact them. Our internal Information Security Governance Group meets quarterly to review and mitigate data security risks.

**KnowBe4**  
Human error. Conquered.

In 2022, we continued to update our cyber and data security by completing initiatives, such as multi-factor authentication, to provide additional security with the increase of remote working. We also continued the rollout of cyber security training modules for all our team members through KnowBe4. By December 2022, 226 of our team completed Safer Remote working and Online Safety training, and in November 2022, we won a global Belron® phishing campaign, competing against the other Belron® business units to 'spot the phish' and raise awareness of cybersecurity. We will roll out additional training modules in 2023 to further improve cyber security awareness in our business.

We continue to meet Belron® Group's industry best practice data security requirements and are continuing the transition to an upgraded global information and security control framework, including policies and standards for a range of security areas from passwords to cryptography to data management.

Cyber security

**226**

team members trained



## ETHICAL BEHAVIOUR

*Insist on ethical behaviour in relation to our business practices for the long-term benefit of our stakeholders*

Our Guiding Principles – integrity, respect, trust – are fundamental to who we are and how we operate. They describe the way we do things at Belron NZ and ensure we operate in an ethical and consistent manner. That's why we have developed Our Way of

Working code of ethics, so that we are clear about the behaviours we expect of everyone at Belron NZ and to provide support to anyone who is faced with a situation that may affect their experience at work.

### Integrity

We believe that we build and maintain the confidence of others by being consistent in what we say and what we do.

### Respect

We demonstrate respect by showing consideration and care for each other and for our environment.

### Trust

By acting with integrity and showing respect for others, we build and maintain trust in who we are and what we do.

The guide sets out how we work together, how we work with others and how we manage the business, and we have ethical principles in place to ensure that offences such as bribery and corruption are not tolerated within our business. We believe that no one should obtain or retain business through coercion, and we do not condone under any circumstances the offering or receiving of bribes or any other form of improper payment.

Free and fair competition is essential to our success as it provides the level playing field on which we operate. As such, we operate

in a competitive manner, respecting and complying with all competition laws in everything we do.

Compliance with Our Way of Working is not optional, and all our team members must be familiar with and act in accordance with its guidance at all times. Our team, regardless of their role, are encouraged to speak up and disclose ethical concerns via appropriate internal channels or the Speak Up line. The Speak Up line is managed independently by Navex Global who understand Our Way of Working and are trained to deal with calls.

### Independent and Confidential

## Speak Up

line to raise ethical concerns

## 0

ethical concerns raised

# GOVERNANCE

This section provides an overview of Belron NZ Ltd's corporate governance framework, including committees of the highest governing body of Belron®. Belron NZ Ltd, operating under the Smith&Smith®, Laser® and Exceed brands up to 31st December 2022 is part of the Belron® group.

In New Zealand, Belron NZ Ltd's executive team supports the Belron® global executive

team based in the United Kingdom. Belron® is committed to maintaining the highest standards of governance and is supported by the Board Audit Committee. Belron® is working to formalise other sub-committees responsible for decision-making on economic, environmental and social topics. This includes maintaining high standards of business integrity and ethics in all our activities (refer Ethical Behaviour page 36).

Belron® is committed to understanding, managing and mitigating the risks facing our business. To support this, our Audit Committee implements a Risk Management Framework covering each Business Unit and Group function. Risk information is documented in risk registers, which are maintained in accordance with internal controls and processes. In 2022, we enhanced our already robust risk process to allow for consistency across all Belron® business units, and continued to expand our Risk Management Framework to formally include our environmental, social and governance (ESG) risk profile (refer Climate Change, page 18). The Framework aligns with our values, in doing the right thing for our people, customers and society, enabling us to meet our stakeholder needs



Belron NZ's Executive Team have been chosen for their leadership skills, professional backgrounds, experience and expertise. As of 31st December 2022, the Belron NZ Ltd Executive Team consisted of:



Michelle van Gaalen  
Managing Director



Martin Fairweather  
Strategy and  
Finance Director



Peter-John (PJ) Burrowes  
Operations and  
Supply Chain Director



Jan Jones  
People and  
Leadership Director



Matt Still  
Trade Services Director



Megan Trust  
Group Manager  
Customer & Channels



Allison Smart  
Legal Director ANZ

# KEY PERFORMANCE INDICATOR TABLE

GRI Ref	KPI Metric	Units	2022	2021	2020	2019
 <b>Planet</b>						
305-1	Direct (Scope 1) GHG emissions	tCO <sub>2</sub> e	269	294	357	516
305-2	Energy indirect (Scope 2) GHG emissions	tCO <sub>2</sub> e	97	90	76	87
305-3	Other indirect (Scope 3) GHG emissions <sup>[1]</sup>	tCO <sub>2</sub> e	506	246	321	608
305-4	GHG emissions intensity – job numbers <sup>[1]</sup>	tCO <sub>2</sub> e/Job Nos	0.005	0.004	0.004	0.006
305-4	GHS emissions intensity – revenue <sup>[1]</sup>	tCO <sub>2</sub> e/NZ\$m	10.04	7.73	10.41	14.92
306-3	Total waste generated	tonnes	1,752	1,393	1,490	1,779
306-4	Waste diverted from disposal	tonnes	1,486	1,154	1,218	1,507
307-1	Non-compliance with environmental laws & regulations	no.	0	0	0	0
N/A	Number of notifiable spills <sup>[2]</sup>	no.	0	0	0	0
 <b>People</b>						
403-9	Number of accidents	no.	33	39	42	55
403-9	Total recordable injury frequency rate (TRIFR) <sup>[3]</sup>	no.	57.2	72.4	78.3	Not Reported
102-7	Total number of employees <sup>[4]</sup>	no.	305	297	292	297
401-1	Employee turnover <sup>[4]</sup>	no.	129	86	87	104
405-1	Percentage of women in Executive Team <sup>[5]</sup>	%	57	50	50	50
405-1	Percentage of women employees overall	%	40	39	34	38
 <b>Partnerships</b>						
205-3	Ethical concerns raised	no.	0	0	0	38

[1] Scope 3 emissions and GHG emission intensity 2019 & 2020 have been restated as additional information on the final disposal location of waste to landfills with or without landfill gas recovery has been obtained

[2] Notifiable spills are discharges into the environment that, if uncontained, are notifiable to a regulatory authority. Includes any discharge of a hazardous substance, regardless of the amount, that leaves the boundary of site.

[3] TRIFR relates to all accidents resulting in lost time per 1,000,000 hours worked. Includes full-time employees, temporary staff and contractors. A retrospective adjustment to the 2020 and 2021 figures has been made due to a formula error. The 2021 TRIFR is restated from 72.7 to 72.4, 2020 TRIFR is restated from 121.4 to 78.3.

[4] Full-time equivalent employees (FTEs),

[5] Percentage of women on the executive figures have been restated, previously reported as Directors of Belron NZ, figure now includes all members of the Belron NZ executive team

# GLOBAL REPORTING INITIATIVE (GRI)

## CONTENT INDEX

Belron NZ have reported the information cited in this GRI content index for the period 1st January to 31st December 2022 with reference to the GRI Standards. Each of the standards used and disclosures included are described in the table below.

102-6	Description	Section description & Page No.
<b>GRI 102: General Disclosures 2021</b>		
102-1	Organisation details	Belron NZ Limited
102-1	Ownership & legal form	About This Report, page 2
102-1	Financial statements	About This Report, page 2
102-1	Location of head quarters	Milton Park, Stroude Road, Egham TW20 9EL, United Kingdom
102-1	Location of operations	Business Snapshot, page 6
102-2	Entities included in report	Business Snapshot, page 6
102-3	Reporting period	About This Report, page 2
102-3	Reporting cycle	Annual
102-3	Contact point	Contact peopleandleadership@smithandsmith.co.nz for queries or to provide feedback
102-4	Restatements of information	N/A
102-5	External assurance	About This Report, page 2 Third Party Assurance, page 42
102-6	Activities & business relationships	Business Snapshot, page 6 Managing Director Review, page 4
102-7	Employees	KPI Table, page 38 Diversity, Equity & Inclusion, page 29
102-9	Governance structure & composition	Governance, page 37
102-12	Role of highest governance body	Governance, page 37
102-22	Statement on sustainable development strategy	Managing Director Review, page 4
102-23	Policy commitments	Our Culture Story, page 7 Ethical Behaviour, page 36
102-26	Raising concerns	Ethical Business, page 36

Disclosures	Description	Section description & page no.
<b>GRI 103: Material Topics 2021</b>		
103-1	Process to determine material topics	The Issues That Matter, page 10
103-2	List of material topics	The Issues That Matter, page 10
103-3	Management of material topics	The Issues That Matter, page 10 Planet, page 15 People, page 22 Partnerships, page 32
<b>GRI 205: Anti-corruption 2016</b>		
205-2	Communication about anti-corruption policies & procedures	Ethical Behaviour, page 36
205-3	Corruption incidents	Ethical Behaviour, page 36
<b>GRI 305: Emissions 2016</b>		
305-1	Direct (Scope 1) GHG emissions	Climate Change, page 38
305-2	Energy Indirect (Scope 2) GHG emissions	Climate Change, page 16 KPI Table, page 38
305-3	Other Indirect (Scope 3) GHG emissions	Climate Change, page 17 KPI Table, page 38
305-4	GHG emissions intensity	KPI Table, page 38
305-5	Reduction of GHG emissions	Climate Change, page 17
<b>GRI 306: Waste 2016</b>		
306-1	Waste generation & significant waste related impacts	Circular Economy, page 19 KPI Table, page 38
306-2	Management of significant waste related impacts	Circular Economy, page 19
306-4	Waste diverted from disposal	Circular Economy, page 19 KPI Table, page 38



Disclosures	Description	Section description & page no.
<b>GRI 307: Environmental Compliance 2016</b>		
307-1	Non-compliance with environmental laws & regulations	Environmental Management, page 20 KPI Table, page 38
<b>GRI 403: Occupational Health and Safety 2018</b>		
403-1	Health & safety management system	Health, Safety & Wellbeing, page 23
403-5	Health & safety training	Health, Safety & Wellbeing, page 24
403-6	Health promotion programmes	Health, Safety & Wellbeing, page 25 Team Member Engagement, page 26
403-7	Prevention/mitigation of negative impacts	Health, Safety & Wellbeing, page 23
403-9	Work-related injuries	Health, Safety & Wellbeing, page 24 KPI Table, page 38
<b>GRI 401: Employment 2016</b>		
401-1	Employee turnover	KPI Table, page 38
401-2	Benefits	Team Member Engagement, page 26
<b>GRI 404: Training and Education 2016</b>		
404-1	Employee skill & transition assistance	Team Member Engagement, page 27
<b>GRI 405: Diversity and Equal Opportunity 2016</b>		
405-1	Diversity of governance bodies & employees	Diversity, Equity & Inclusion, page 29

# ASSURANCE STATEMENT



## Independent Limited Assurance Statement to the Management and Directors of Belron NZ Limited

### Our conclusion

Oxygen Consulting NZ Limited ('Oxygen Consulting', 'we') was engaged by Belron NZ Limited ("Belron NZ", "Responsible party") to undertake limited assurance as defined by ISO14064-3:2019, over Belron NZ's total greenhouse gas ("GHG") emissions statement ("GHG Statement") (including scope 1, scope 2 and scope 3 emissions) for the year ended 31 December 2021.

Based on our limited assurance procedures and the evidence we have obtained, nothing has come to our attention that may lead us to believe that Belron NZ's GHG Statement for the financial year ending 31st December 2021, totalling 629.95 tCO<sub>2</sub>e, and its 2030 emissions target of a 46.2% reduction on base year 2019, are not prepared or presented, in all material aspects, in accordance with the criteria defined below.

### What our assurance covered

We reviewed Belron NZ's GHG measurement for the year ending 31 December 2021, totalling 629.95 tCO<sub>2</sub>e, to determine if it meets the requirements of ISO14064-1:2018 to a limited level of assurance. That standard required that we planned and performed the engagement to obtain limited assurance with respect to the GHG statement in that it:

- Is without material misstatement between what is claimed and what occurred;
- Conforms to the requirements and principles of the ISO14064-1:2018 standard;
- Is accurate, complete, consistent, relevant and transparent;
- Has supported data, controls and calculations to ensure accuracy.

Belron NZ also engaged Oxygen Consulting to validate that its 2030 emissions target, of a 46.2% reduction on base year 2019, has been calculated in accordance with the Science Based Target initiative (SBTi) methodology version 1.2.

### Criteria applied by Belron NZ

The criteria for our assurance engagement included:

- ISO14064-1:2018 *Greenhouse gases — Part 1: Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals*
- ISO14064-3:2019 *Greenhouse gases — Part 3: Specification with guidance for the verification and validation of greenhouse gas statements.*
- Science Based Target Initiative (SBTi) version 1.2 methodology.

## Key responsibilities

### *Oxygen Consulting's responsibility and independence*

Our responsibility was to express a verification opinion on the Scope 1, Scope 2 and Scope 3 GHG emissions reported in the GHG Statement, and on the underlying systems and processes used to collect, analyse and review the information, in accordance with ISO14064-1:2018. It was also our responsibility to validate Belron NZ's 2030 GHG emissions target, in accordance with the Science Based Target initiative (SBTi v1.2) methodology.

We ensure an ethical approach to our insurance engagements by maintaining independence, integrity, objectivity, professional competence and diligence, confidentiality and professional behaviour.

### *Belron NZ's responsibility*

Belron NZ was responsible for maintaining its GHG information system and Scope 1, Scope 2 and Scope 3 GHG emissions reported. Belron NZ's Management was responsible for the development and maintenance of records and reporting procedure in accordance with that system, including the calculations and determination of GHG emissions information and fair presentation of the resulting GHG Statement in accordance with the Criteria.

## Our approach to conducting the engagement

We conducted this review in accordance ISO14064-3:2019 *Greenhouse gases — Part 3: Specification with guidance for the verification and validation of greenhouse gas statements* and the terms of reference for this engagement as agreed with Belron NZ on 28 March 2022.

## Summary of assurance procedures performed

Our engagement consisted of making enquiries and applying analytical, appropriate testing, and other evidence gathering procedures. Our review was carried out in accordance with the criteria stated in ISO 14064-1:2018 and the SBTi target setting methodology (version 1.2). Our procedures included:

- Conducting interviews with personnel to understand the business and reporting process;
- Checking organisational and operational boundaries to test completeness of greenhouse gas emissions sources;
- Checking that the flow of information from source data through to calculation spreadsheets is accurate and any calculations are appropriate;
- Identifying and testing assumptions supporting the calculations;
- Tests of calculation, aggregation and controls;
- Comparing year on year activity-based greenhouse gas data where possible;
- Checking that emissions factors and methodologies have been correctly applied as per the criteria;
- Checking that the target setting methodologies have been correctly applied as per the SBTi criteria;
- Reviewing the appropriateness of the presentation of disclosures.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

## Achieved level of Assurance

Limited

### Limited Assurance

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

While we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

### Use of our Assurance Statement

Our report is only issued to the Management and Directors of Belron NZ in accordance with the terms and conditions of our engagement. We do not assume any liability to third parties other than Belron NZ.

Oxygen Consulting NZ Limited



Sarah Holden

Director, Oxygen Consulting NZ Limited

27<sup>th</sup> May 2022

