

Jacobsen®

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Impact Report

Released March 2024

Message from our Business Leaders.

Kia ora and welcome to our second Impact report, that covers our reporting period 1 April 2021—31 March 2023. At Jacobsen we deeply care about being transparent and accountable for the people, environmental and social impacts of our business, and we are working to not only be accountable but also to make a positive impact in this area.

We released our **inaugural report** in December 2021 and were really encouraged by the positive response; from our external stakeholders (customers and business partners) as well as our internal team members. It was a reminder of the value in sharing our journey authentically, and that we can also create positive change by inspiring others to take action.

In the past two years we've seen increased interest and commitment in the area of sustainability and broader community outcomes within all our key stakeholders and it is pleasing to see more procurement frameworks recognizing the value of prioritizing these areas along with traditional aspects of quality performance, price and aesthetics in decision making.

The ability to adequately compare products remains challenging amidst all the varying performance and environmental frameworks and test reports, not to mention marketing campaigns. This is why we are

advocates for third party certification and reporting on our products, and in creating this Impact Report on our business it remains a priority for us to report to internationally recognised GRI standards, even though we have no governance requirement to do so.

We are proud to be in our fourth year of being Toitū net Carbonzero certified. In our previous Impact Report, we had two primary goals to reduce our emissions compared to our baseline year (2019).

- 1) Reduce our total emissions intensity per \$M by 30%
- 2) Reduce our direct and indirect emissions caused by our business carbon emissions by 50% (Scope 1 & 2)

We are so proud to say that in 2023, we have reduced our total emissions intensity per \$M by 30%, seven years earlier than our target. This is primarily due to a combination of the shipping industry becoming more efficient, COVID and our business.

For our second goal, our total Scope 1 & 2 emissions are now 31% lower than our base year, so we are over half way there. This is primarily achieved through transitioning our fleet to Electric Vehicles (EVs) which we have been doing for the past two years as our leases expired. We currently have over half of our fleet transitioned to EVs and have seen some of this impact in this reporting period but will continue to see improvements from this investment into reducing our emissions in subsequent years. All of our vehicles will be transitioned to EVs within the next reporting period.



Pictured here: Cynthia Tang & Renee Jacobsen

Message from our Business Leaders. (Continued)

Within the reporting period one of our other accomplishments was launching our new website. This was an extensive project and we continue to implement iterative improvements to enhance our customers’ experience, however one of our requirements was to increase the ability to search product information and access all the performance and sustainability test reports, such as Environmental Product Declarations (EPD), within seconds of being on the website. Ensuring this information is accessible and always up to date is not a simple undertaking, with thousands of products across multiple suppliers all around the world, but access to transparent information is critical to empower informed decisions by our customers.

Recently, we have welcomed the changes by Ministry of Business, Innovation and Employment (MBIE) that aim to provide essential information to users of building products, helping them transparently and effectively assess compliance and compare products with the New Zealand Building Code in mind. We have created Jacobsen Product Information Declarations for all of our products and took the opportunity to ensure that all sustainability information is highlighted, more than what was required by MBIE.

Another priority for us during the reporting period has been increasing our communication and education opportunities relating to sustainability in particular. We developed an internal and external training module on Sustainability considerations in floor coverings, and what to know and ask about. The training programme was not specific to Jacobsen, rather generic, and it was awarded points by the New Zealand Institute of Architects Continuing Professional Development (CPD) programme. We presented this training internally in person, created online training modules to be accessed anytime by our staff, and then presented the training externally to specifiers and our flooring customers whom are purchasing and installing flooring. We attempted to remove any barriers to access the information through both in-person and virtual presentations, and attendance had varied success across the different audiences.

We have other highlights that are covered within this report which we are proud of, such as the introduction of more commercial carpet and new residential carpet with Econyl yarn which achieves exceptional durability and is completely recycled, offering the best in performance and sustainability. For community and industry engagement we’ve continued our volunteering days and invested in supporting a ‘Flooring Boost’ programme in Southland, along with MBIE and Ministry of Social Development (MSD). We have provided a trade training trailer and networked inside and outside of industry in an attempt to build the skilled labour force in the flooring trade and support those looking for new opportunities.

Finally, we were incredibly proud to turn 60 in 2022 and we celebrated our business’ history and progress to where we are today, and look ahead to ensuring our business is sustainable for many years to come. Our people are the cornerstone of our business and we continue to invest in their development and prioritise health, safety and wellbeing. We were proud to launch a new benefit in February 2023 of five additional ‘values’ leave days. These are available for all our team members to use as they see fit but they are for personal time to handle life admin, family time to attend a school trip or take care of a parent, volunteering and birthday days off. We continually strive to be an inclusive workplace where our team feel proud to be part of our Jacobsen whānau.

We hope you enjoy reading this Impact report.



Cynthia Tang
GM - Marketing, Technology & Impact



Renee Jacobsen
Chief Executive Officer



Mō tātou, a, mō ngā
uri ā muri ake nei.

For us and our
children after us.



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About this Report

Tēnei Rīpoata



About this Report.

Kia ora and welcome to our second voluntary Impact Report.

This report covers the two-year period from 1 April 2021 to 31 March 2023 of Jacobsen Creative Surfaces Limited (Jacobsen) and includes our entire business operations. This report has been produced in accordance with the GRI Standards and has been supported by Go Well Consulting; it has not been externally assured.

The material topics next page were determined on reflection of our previous report and after a materiality assessment guided by Go Well Consulting and of which the Board were informed of. The CEO and Senior Leadership Team have been responsible for reviewing and approving the reported information.

We would love to hear your feedback, questions, or ideas – please feel free to contact Cynthia at cynthia.tang@jacobsen.co.nz.

Stakeholder Engagement & Materiality.

A critical part of the GRI reporting standards relates to engaging with our stakeholders to ensure they have a say on what we report on. This stakeholder engagement allows us to get the views and opinions of multiple different people and organisations we impact, and who impact us.

Independent of these reports, we have regular engagement with our internal and external stakeholders that goes beyond the everyday 'work talk'. We prioritise getting to know their needs and understanding their views, including on the topic of sustainability. Our stakeholders include all employees, leadership team and governance board, our trade customers, direct consumers, suppliers, manufacturers, logistics and service providers, and industry partners. These relationships were considered and consulted with to help us determine the Material Topics (Impact Areas) we would report on.

As this was our second impact report we already had a good understanding of our material topics, however due to the changes made to the GRI framework we worked with our report advisors, Go Well Consulting, to help us through the new process and review the topics.

In a workshop they facilitated, we defined our key activities and business relationships and undertook an exercise in identifying our potential and actual, positive and negative impacts related to these activities and business relationships as per the GRI Standards guidance. An impact assessment was then carried out to determine the significance of each of the impacts identified, according to the guidance provided in GRI 3 Material Topics 2021. These impacts were then grouped into similar themes to derive the material topics and associated GRI Topic Standards reported on herein.

The material topics for Jacobsen do not differ significantly from the last reporting period but we did make some changes. One notable change was the topic of Covid-19, which was included in our last report. While it is still considered an impact, we have adapted to the new normal and thus did not consider this a material topic for this reporting period. Additionally, through the updated GRI process of determining material topics we made the following further changes:

- Including Energy (alongside Emissions, previously 'Greenhouse Gas Emissions')
- Capturing Communications, Innovation, and Industry Relations all under Better Business
- Incorporated Procurement and Product Provenance into Supply Chain
- Incorporated Product Stewardship into Product and Packaging

Material Topics

Our People

- Working at Jacobsen
- Education and Training
- Community

Our Planet

- Emissions and Energy
- Supply Chain
- Product and Packaging

Prosperity

- Better Business



About Jacobsen.

Jacobsen Creative Surfaces (Jacobsen) is a wholly-owned New Zealand family limited business founded in 1962 who exclusively represent, import, and distribute some of the world’s leading flooring brands, such as: Tarkett, Shaw Contract, Desso, Regupol and Tredsafe.

Owned by Jacobsen Holdings Ltd, we have our head office and distribution centre located at 41D Morrin Road, St Johns, Auckland. We also have regional offices in Wellington and Christchurch, and during the reporting period we had an employee based and working in both Bay of Plenty and Dunedin. Since the reporting period we have added a team member who is based in the Manawatū.

We service all of Aotearoa New Zealand, with our products being installed via independent flooring contractors and retailers across the country and are used by the following industries:

- Health
- Aged Care
- Education
- Workplace
- Multi-residential Developments
- Hospitality
- Residential
- Fitness

Jacobsen is governed by a Board of Directors with an independent Chair, who are responsible for decision-making and overseeing the management of the organisation’s impacts on the economy, environment, and people. We have a Senior Leadership Team, a Treasury Risk Committee, and a Remuneration Committee responsible for decision-making and management of their relevant business areas. You can read more about our governance on [pages 36-41](#).

Our Memberships & Associations



New Zealand Institute of Architects

\$ 118 Million Total

In sales for the two year reporting period.



30% Increase

On the previous two year reporting period of \$91m.



*Previous two year reporting results were impacted by COVID.

Scion Head Office, Rotorua.



Jacobsen Audacity, Laminate.



Scion Head Office, Rotorua.

Jacobsen Excelsior, Residential Carpet.



Locations of our Suppliers.



Note - during the reporting period Armstrong - Breaside Australia (VIC) were a supplier.

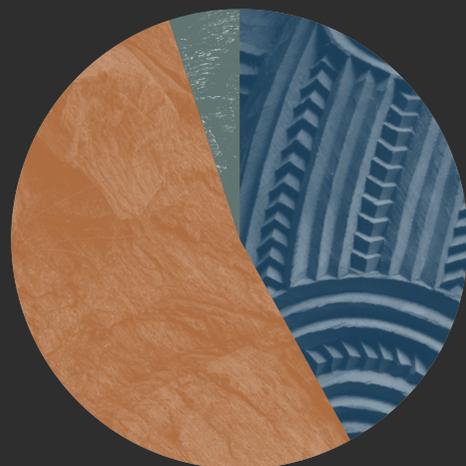
Industry Context.

Global:

\$266.5 Billion | USD

Global Flooring Market Size

[Grandview Research](#)



- Residential
- Commercial
- Industrial

[Grandview Research](#)

Australia and New Zealand:

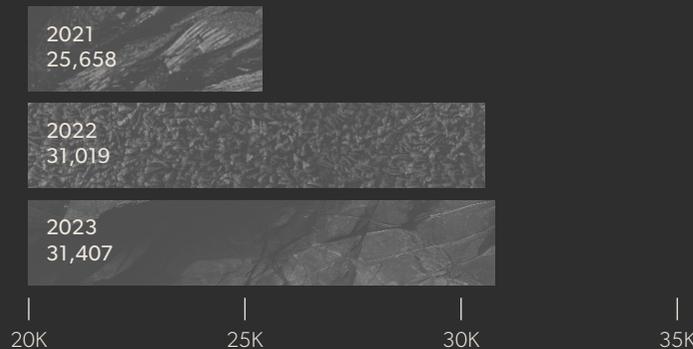
The Australia & New Zealand flooring market size was valued at USD \$4.20 billion in 2022 and is expected to grow at a compound annual growth rate (CAGR) of 5.2% from 2023 to 2030. Asia Pacific is one of the largest consumers of floor covering products in the world. Factors such as increasing investment in affordable housing, smart city construction, upgradation and construction of infrastructure, and investment in the tourism sector are expected to boost the demand for floor-covering products in Asian Countries including Australia & New Zealand over the forecast period.

\$4.20 Billion | USD

Australian & New Zealand Flooring Market Size

[Grandview Research](#)

All NZ wide building consents



Building consents issued: April 2023, NZ Stats, All buildings (residential and non-residential, including alterations and additions)

New Zealand:



Floor covering retailing (in NZ) has seen an estimated annualised 1.6% decline in revenue over the five years through to 2023-24, to \$1.0 billion. Robust increases in both new dwelling commencements and capital expenditure on residential buildings have supported industry performance. Revenue is expected to decline 2.3% in 2023-24, with a strong decline in dwelling consents issued and a drop in capital expenditure on residential buildings weighing on sales.

Number of Businesses

482

Industry Employment

2,532

[Grandview Research](#)
[IBISWorld](#)



Our People

Tā Mātou Iwi

Working at Jacobsen.

‘Our people are our future and our legacy’ continues to be a guiding principle for Jacobsen, and we are deeply committed to supporting our whānau of 67 wonderful human beings.

Employee happiness and wellbeing is a very important element for Jacobsen. We have a quarterly survey that goes out to all employees to measure their happiness and well-being.

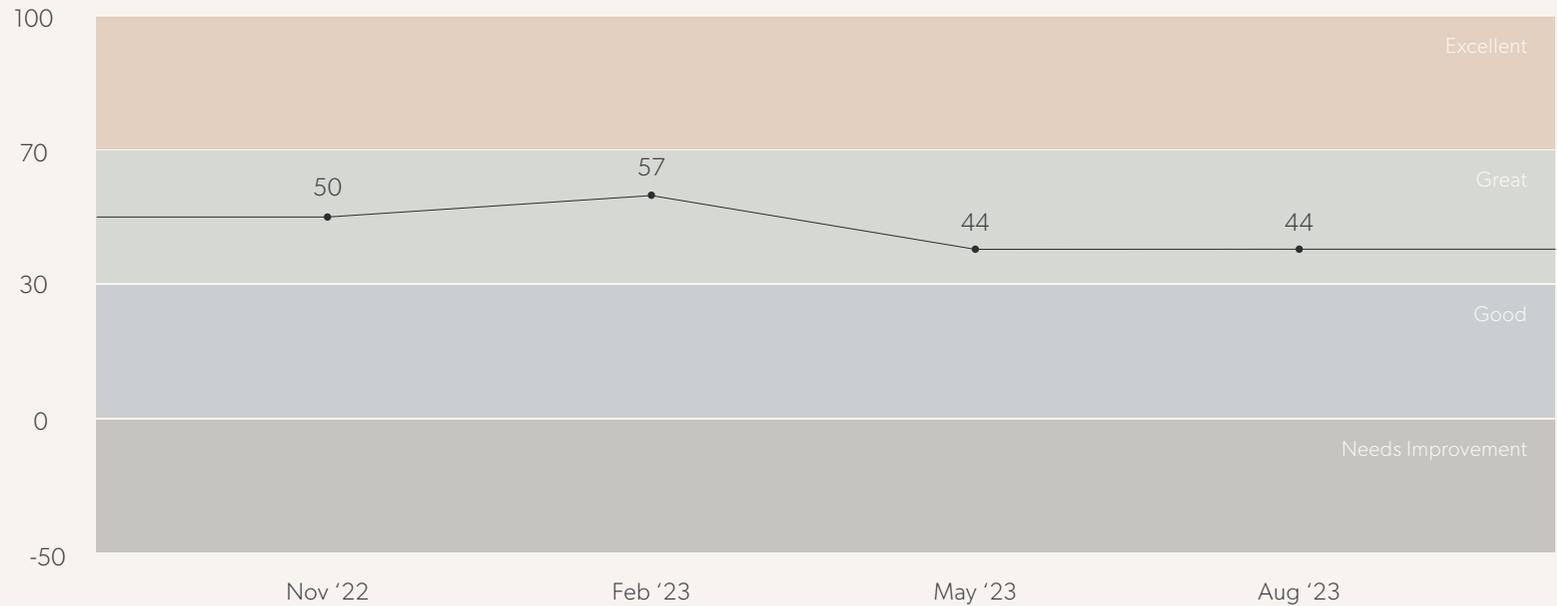
We provide our staff with a range of benefits to suit our diverse team such as fully subsidised medical insurance, company contribution to Kiwisaver 4% to match an employee contribution up to 4%⁽¹⁾ and incentive schemes.

During this reporting period, we introduced a competency-based wage model to our warehouse team of 12, using the Living Wage as the base rate, with all competencies attained (skills learned) adding an additional dollar value. This competency model sets us apart as an employer and has been well received by the team, encouraging growth and personal development, and impacting substantially on employee engagement.

(1). The compulsory employer contribution is at least 3%.

eNPS Trend

Internal Net Promoter Score shows that our staff think the company is a great place to work.



Retention & Turnover.

The most significant operational change in this reporting period was the development of a CEO role to work alongside our Managing Director, who is in the final stages of retirement planning. The CEO role was filled by Renee Jacobsen, supporting the continuation and health of the Jacobsen family legacy in the business, which was embraced and celebrated widely in the business.

During the reporting period a growth opportunity was identified to create development opportunities for key customer service people to take on an outbound sales rep role. This is a new initiative for the business and still in its early stages but we are seeing signs of improved customer engagement, less mileage incurred and potential for increased sales.

Since the last reporting period, we managed two redundancies resulting from a restructure within marketing and residential sales. The marketing role was a junior digital/design support role and this was removed and the tasks outsourced. The sales role was replaced with the outbound sales development opportunities as highlighted above within our Customer Services division. In line with previous reporting, we continued our outplacement support to ensure high level support for the two departing

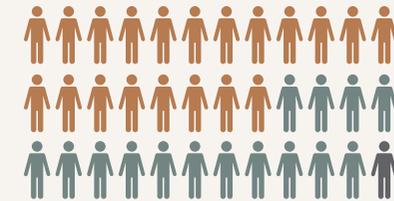
employees, and remained in contact with these employees and successfully supported them into new and secure employment. We also removed three employees for misconduct and poor performance. No personal grievances materialised from this performance management process and this can be attributed to the thorough and professional manner in which performance is managed in the business.

*During the reporting period 23 employees were hired and terminated within the same period, the majority of these staff were on fixed term contracts.

New Employees:



Gender

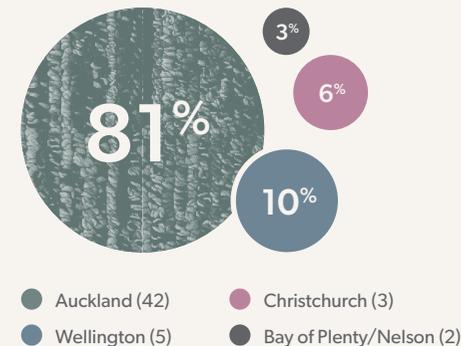


24 Female
27 Male
1 Non Binary

Full Time vs Fixed Term Ratio



Location Breakdown of New Hires



Total Employee Turnover



Diversity, Equity & Inclusion.

We are an equal opportunity employer and a diverse workforce. We embrace diversity, equity, and inclusion (DE&I) at Jacobsen and strive for no barriers to employment, which is one of the key topics discussed in all new hire inductions, and forms part of our company culture.

Our Board

We currently have five board members, but during the reporting period this was six. Two females and four males. One under 50 and five over 50. The board covers a mix of family members, professional directors, senior business leaders, genders, and age differentiation. One board member resides in the USA and connects remotely for meetings. He brings experience, age differentiation and location diversity. We have three regular board observers bringing an additional female senior leader and two male senior leaders into the mix.

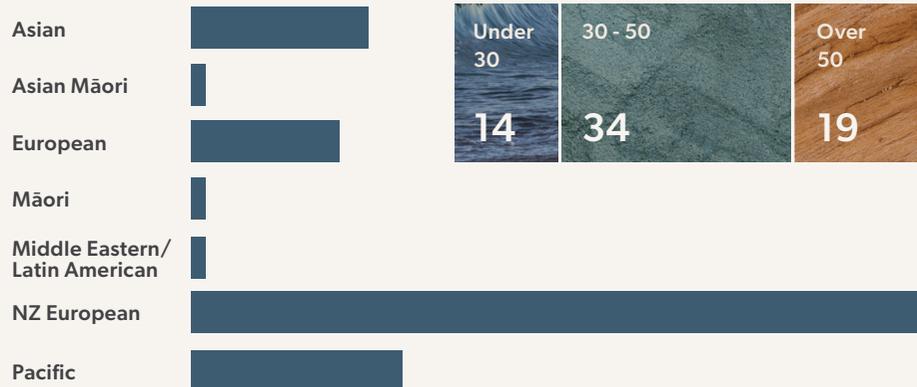
Our Team



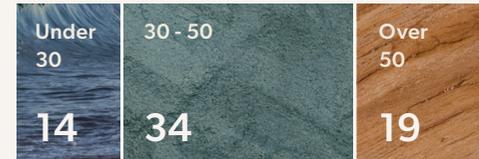
Gender



Cultural Diversity



Age Group



Gender Salary Ratio



Note: Non Binary was not included due to small sample size

The main influence on our gender salary ratios is due to a large number of long service male employees who have built up salary increase over time.

Regions



This data has been drawn from our HRIS system BambooHR as reported at 31.03.23.



Wynn Williams Office, Auckland.

Silver Fern Farm Office, Dunedin.



University of Auckland Dental School, Auckland.



Jacobsen Andes Peak, Residential Carpet.

Education & Training.

Educating and training our stakeholders remains a key commitment for Jacobsen. We aim to not only upskill our own people but to help lift our whole industry as it faces the challenges of the 21st century.

All our employees underwent 6 monthly performance planning sessions with their managers, which are designed to impact positively on development and performance. In instances where individual development plans required specific training requirements e.g. external training, the business will invest accordingly.



For Sales and Marketing and Customer Services employees, we provide in-depth product training to help individuals with basic product knowledge both from our experienced technical team as well as our suppliers. These are generally in-person trainings in Auckland.

Whilst we recognise that in-person training is great, it is challenging to scale. Therefore we have invested further during this reporting period to provide an internal online learning system that links directly to our Human Resource Information System (HRIS), enabling our people to learn from anywhere at any time.

Our Leadership Team have undergone training for personal efficiency, and they in turn support employees to adopt these learnings. This training was initiated to create efficiencies and reduce workload stress by working more efficiently and automating where possible.

In addition to the above, we have also invested in tuition support, development to support internal promotion, mentoring, systems training, and specific training for our warehouse team. We were granted funding to put our entire warehouse team through the Aspire2 training programme. This had a significant positive impact for the business, the employees, and their families.

Feedback from the team was very positive, with the improved knowledge of literacy, maths, budgeting, leadership, business communications, writing standard operating procedures (SOPs), leading meetings, and the ability to have performance-enabling conversations.

We do not have data on the average hours of training that our employees have undertaken during the reporting period, as not all training is able to be captured. A lot of training occurs in 1:1 meetings, or during supplier visits. However, all employees now have learning accountability as part of their job descriptions.



Working with samples.

Health & Safety.

We continue to manage Health & Safety (H&S) in the business in the same way we **reported previously**, including aligning with the requirements of the Health and Safety at Work Act 2015.

100% of Jacobsen employees, visitors to site, and service providers (contractors) are covered and cared for within our H&S system. In this two year period we have trained more people to be H&S representatives, conducted more audits, and managed H&S compliance diligently. Our H&S accident reporting confirms a reduction in accidents and an increase in near-miss reporting.

The process used to identify work-related hazards remains the same as the previous reporting period, but with the development of an online H&S system, we now have all identified risks and controls documented in an online Hazards Register and allocated to our risk matrix based on their significance.

We hold a quarterly H&S committee meeting to review all hazards/risks reported and the relevant hierarchy of controls to mitigate these risks. All risks are to be reviewed within a one-year period. The committee agrees on significance/consequence ratings for each, and minutes of the meeting are shared with all staff.

The committee consists of H&S representatives from each main division of the business, a management representative, H&S Manager, and an officer of the PCBU⁽¹⁾ (either our CEO or Managing Director). Each elected H&S representative is professionally trained through the Employers and Manufacturers Association.

All our employees have H&S inductions either with our H&S representatives or via video learning (for remote workers). We are working on developing this even further to create a full learning module for our people to complete in-house to become H&S experts, which will be reported on in our next Impact Report.

Our warehouse staff are trained according to the Standard Operating Practices for machinery and equipment and graded on their competence to achieve an “able to work unsupervised” and/or “able to train others” rating.

(1). PCBU is Person Conducting a business or undertaking.



Flooring in the warehouse.

Health & Safety. (Continued)



The team at work in our Auckland warehouse.

The dominant hazards that could place our employees at risk are manual lifting and vehicles. We have internal training and Standard Operating Practices created for these, and any accidents are assessed, with the root cause identified to ensure continuous improvement.

Seasonal heat and cold in our warehouse can pose a risk to the health of our employees. In winter, all our warehouse staff are issued with thermal clothing, and in summer, they are provided with branded attire to keep them cool. Large fans are often used in summer to keep temperatures down.

During the reporting period, there have been no fatalities among employees or service providers, and we have had no accidents identified as high consequence. We had one employee accident marked as moderate (requiring external medical support), resulting from incorrect use of a fork hoist. We had one service provider accident marked as moderate, resulting from an electrician falling off his ladder. No permanent injuries occurred in either incident.

While we encourage staff to raise H&S concerns, we also look for opportunities to support their well-being. Stress and fatigue have previously been identified as risks that could cause ongoing health issues, but our campaigns and internal education, as well as flexible working, have significantly minimised these risks.

During the reporting period, employees continued to have access to a wide range of healthcare services and resources, such as fully subsidised medical insurance for all staff and their families, free 24/7 EAP counseling services, and flu vaccinations. The use of any of our services is completely confidential. Each year, we also follow a well-being calendar in which we create employee campaigns that raise awareness and educate employees about different topics. During the reporting period, we had campaigns such as Pink Shirt Day (stand up against bullying) and Step Up September (increasing heart health through walking).

Our Community. Tā Mātou Hapori.

At Jacobsen, we continue to aspire towards creating a positive impact in our community. We look for opportunities to donate our product to communities in need, and our team are encouraged to sign up to volunteering events throughout the year. Earlier in 2023 we introduced a new benefit for all staff to receive a paid day annually to volunteer their time⁽¹⁾. Below are a few of the projects we were involved in during this reporting period:

Donations:

- We donated and installed flooring for the Glen Innes Everybody Eats location.
- We have donated 14 pallets of flooring to Habitat for humanity.
- We have also donated 550m² vinyl and 2000lm of weld rod to flooring schools for training purposes.
- As part of our 'Free flooring for your school' campaign, we donated free flooring to the following schools:
 - Mokopuna o Moerewa Early Childhood Education & Care Centre
 - Onehunga High School
 - Te Wharekura o Mauao
 - Finlayson Park School

Repurposing material:

- We sent four damaged carpet rolls to building companies for roofing protection.
- We donated seconds material for training purposes.
- We also repurposed end of vinyl rolls as packaging material internally.

Volunteering

- A few of our staff participated in the South Island Winter Planting Day with **Conservation Volunteers New Zealand**.
- Some of our staff volunteered to cook and serve meals at **Everybody Eats Onehunga**, a pay-as-you-feel community restaurant.
- Some of our staff supported **Habitat for Humanity** with painting houses.

Although we receive positive feedback from both the community groups and our staff on the projects we've supported, neither us or the groups have had the capabilities to measure the quantitative data of the impact of this support.

(1). We will use this to help measure our impact in our next reporting period.



Volunteering for Everybody Eats.



Volunteering for Habitat for humanity.



Our Planet

To Tātou Aorangi

Emissions & Energy.



As extreme weather events continue to increase in their intensity and frequency, and as the vital tipping point of 1.5 degrees Celsius above preindustrial levels comes frighteningly close to being surpassed, the urgency to reduce greenhouse gas (GHG) emissions becomes ever more pressing. Jacobsen Holdings Limited⁽¹⁾ have been measuring our emissions footprint through the Toitū Carbon Reduce Certification Programme since FY19 and our successive footprints are shown on this page. Our data has been verified by Toitū to meet the ISO 14064 part 1 standard and align with the requirements of the Greenhouse Gas Protocol corporate standard. We have offset our footprint to become a certified Toitū net Carbonzero organisation. For more information on standards, methodologies, assumptions, and/or calculation tools used you can read a summary of our certification [here](#).

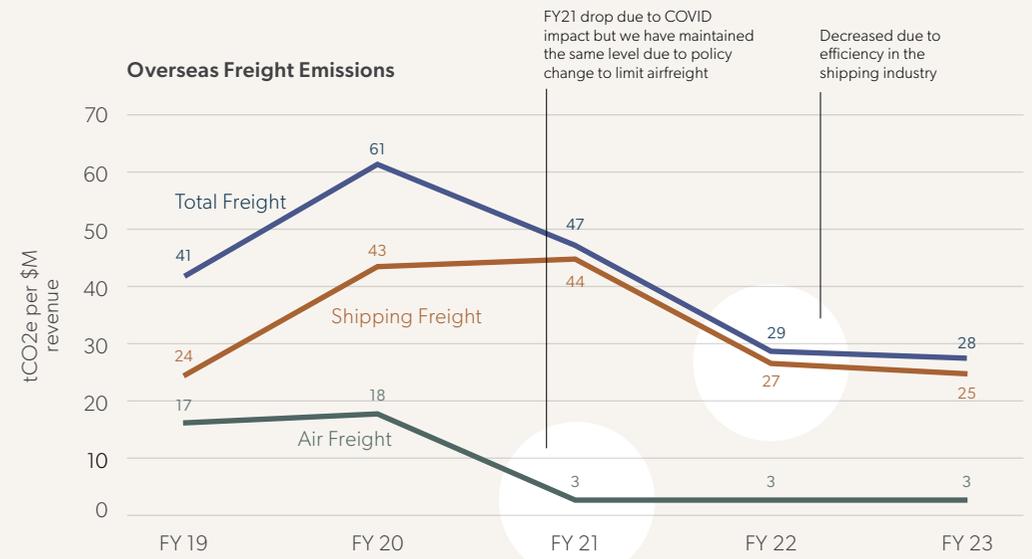
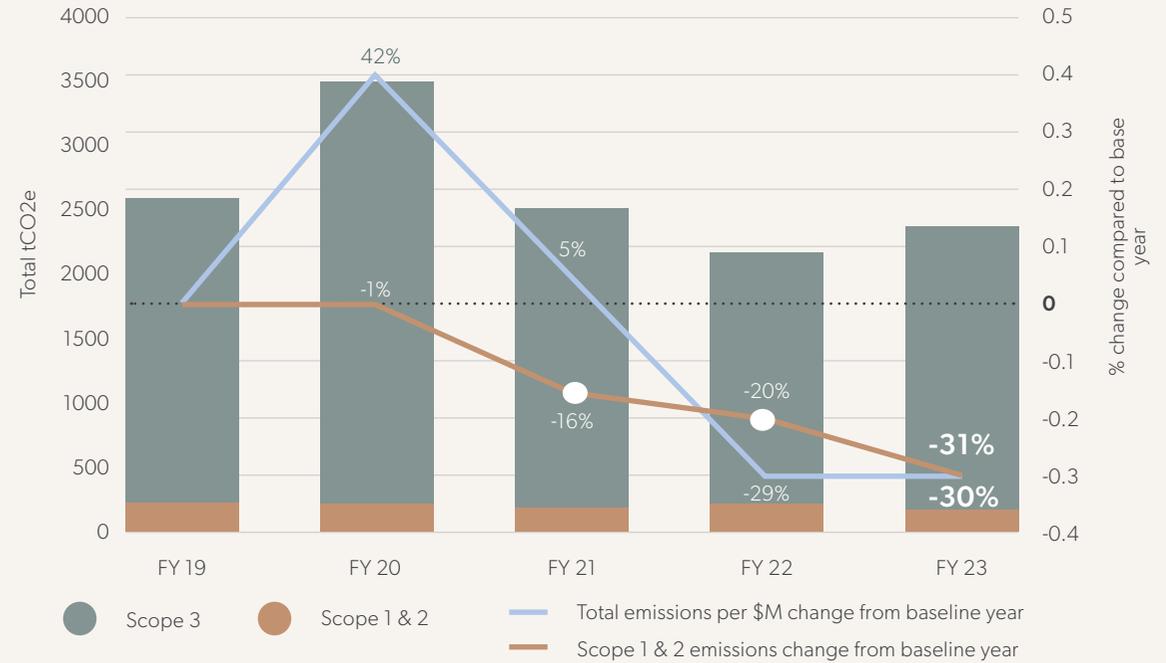
The reductions targets we set ourselves relative to our baseline year are to reduce scopes 1 and 2 emissions by 50% by the year 2030 and reduce scopes 1,2 and 3 emissions by 30% per \$M revenue by the year 2030. We are so proud to say that in FY23, we have reduced our scopes 1 and 2 emissions by 31%, more than halfway towards our target of 50%, and have achieved our secondary target to reduce scope 1, 2, and 3 emissions by 30% (7 years early!).

The biggest driver of this emissions reduction is due to how we received our products from overseas. Our total overseas freight emissions per \$M has reduced from 41tCO₂e in our base year (FY19) to 28tCO₂e (with a slight spike in FY20). Before COVID, our overseas freight was increasing at a rapid rate. In our previous **Impact Report**, we acknowledged that there was an opportunity to optimise how we receive our products from overseas and primarily reduce our airfreight related emissions. At that time, we implemented stricter control on what we airfreight and educated the team on the emissions impact as a result. We are pleased to report that this resulted in a 29% reduction in freight related emissions by FY22 and 32% by FY23. This was primarily due to an 83% drop in airfreight emissions between FY20 and FY21.

(1) Includes the subsidiaries Jacobsen Creative Surfaces Limited, Tilehaus Limited, Prospeed International Limited, Jacobsen Tredsafe Limited

Disclaimer: Upon reviewing our last Impact Report, we have noticed a human error in our emission numbers. The base year was under reported (2458 v.s. correct number 2561) and a typo in scope 1 & 2 FY21 (167 as opposed to the correct number which is 176)

Note — these summaries cover Jacobsen Holdings Limited,⁽¹⁾ the numbers in this report are specific to Jacobsen Creative Surfaces Limited only.



Emissions & Energy. (Continued)

The other major impact on our emissions reduction efforts has been the result of changing some of our fleet vehicles to electric and hybrid as highlighted in the table on this page. Our associated emissions from petrol/diesel usage dropped -79tCO₂e between FY19 and FY23 as seen in the graph. During the same period, we have experienced an increase in emissions related to electricity use of 14tCO₂e. We do not believe this has been caused by the introduction of EVs given the biggest increase was from FY19 to FY20, and we didn't procure our first EVs until FY22.

This is just the start of our transition; we will have our full fleet transitioned by FY26. As we increase our usage of electricity to power our fleet vehicles, we are keeping a closer eye on our EV energy usage and are reporting on it for the first time.

Since the introduction of our EV/hybrid fleet at the end of FY22, our total usage increased from 319,000kWh (FY22) to 326,000 kWh (FY23) but a decrease in an intensity ratio of 0.0058 kWh per \$M (FY22) to 0.0052 kWh per \$M (FY23).

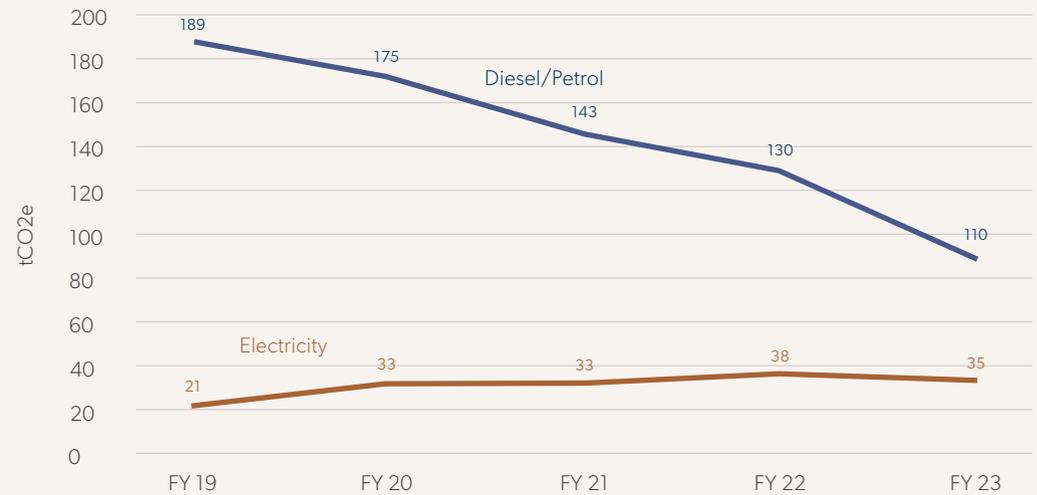
We purchase our electricity from, and are provided usage reports by Powershop, who source it from the National Grid. An electricity supply that is between 80-85% renewable - dependent on weather conditions and our hydro lake levels. In addition to the electricity, in our post COVID world, as more of our staff return to the office, we have reduced our estimated work from home emissions by 6,500 kWh from FY22 to FY23. These are included in the totals above. We used an average of 2-3 Kilowatts per day*. Note, this includes any EV charging at home. We have charging stations installed at our office and any public charging is paid for by the business (and these emissions are captured under the energy data) so very little charging is done at home.

Embodied Carbon vs Freight

Although we do not collect data on the energy used to manufacture our products, the embodied carbon associated with flooring and building products is becoming more and more considered. We are proud to make this information transparent through our Environmental Product Declaration (EPD). This can be found easily on all our products through our website. When sourcing products, we take into consideration both the product embodied carbon and the freight emissions to ensure we consider the whole lifecycle of the product.

* **Energy Club estimation also validated by Toitū**

Fleet Related Emissions



Fleet Vehicle Related Emissions

	FY21	FY22	FY23
Fleet Size	26	23	26
# of EVs / Hybrids	0	0	8 / 1
Vehicle related emissions (tCO ₂ e)	192	135	109
Average tCO ₂ e per vehicle	7.4	5.4	4.2



Silver Fern Farms Office, Dunedin.



University of Auckland - Faculty of Engineering, Auckland.



Jacobsen Audacity, Laminate.



Jacobsen Andes Peak, Residential Carpet

Supply Chain Impacts.

Environmental Impacts

At Jacobsen we are acutely aware that the most significant impact we can have on people and the environment is related to the decisions we make around our supply chain. Key considerations include whether the raw materials are responsibly sourced, where and how they are transported, how materials are treated, and how our final products are manufactured and transported. All of these factors have the potential for negative impacts on the environment and the people within that supply chain.

As buyers of these products, we have limited control over the production methodology, but we can control who we choose to purchase from. We use our **Supplier Code of Conduct (SCOC)** as a key tool to ensure our suppliers are following best global practices and aligning with our own values. Our SCOC is written in line with the United Nations Global Compact principles and sets out our expectations of suppliers in the areas of ethical business, labour and human rights, health and safety, environmental sustainability and corporate social responsibility. Over 90% of our suppliers have signed this SCOC and we expect to have the remaining suppliers sign the code by the end of this calendar year.

In our previous report we set ourselves the goals of:

- Increasing the percentage of our product sales coming from best practise 'gold' standard environmental certifications.
- Implementing more stringent processes and controls within product management to ensure all environmental and social standards are included in the decision-making process and heavily weighted in decision-making.
- Reviewing which supply countries and suppliers would be deemed greatest risk and consider third-party verification to ensure they are meeting our Supplier Code of Conduct pledge.

Currently, over 85% of our commercial products now have EPDs (Environmental Product Declarations). Nearly half (45%) of our residential flooring products also have EPDs. The major reason for this difference between commercial and residential products is the influence of Green Star ratings on commercial builds.

As a standard practice, we undertake our own due diligence of each new supplier to ensure there are no significant actual or potential negative environmental or social impacts. We have not identified any suppliers, whether new or existing, as having significant actual or potential negative environmental or social impacts. See our **Product Sustainability Matrix** here. More information on all our suppliers can be found on our **website**.

Further to our own research, certifications provide a key source of information on the environmental impacts of the products we source. The certifications we align with are:

GreenTag Certification

Best Environmental PVC

EPD

Cradle To Cradle

Forestry Stewardship Council

Moving forward, we are committed to continued engagement with our suppliers to further the supply chain visibility of the products we stock.



Product & Packaging.

In addition to environmental impact, this is about material health and product safety. As a business that imports and sells flooring, the quality and safety of our products are of the utmost importance to our success. We take considered steps to ensure every product we sell is safe for our customers and meets or exceeds the New Zealand Building Code requirements. While it's not a Building Code requirement, we also obtain VOC⁽¹⁾ emission certifications, DECLARE labels and material health statements wherever possible.

Vinyl flooring continues to make up a significant percentage of the products that we sell, and we ensure that our products are certified Phthalate free and best practise PVC, recognised by the New Zealand Green Building Council (NZGBC).

Jacobsen has also initiated independent, third party testing of certain products to provide an alternative solution to the newly established E3/AS1 Internal Moisture requirement for the NZ Building Code. These products include Wood Flooring, Laminate and Luxury Vinyl Tiles. This provides clients with assurance that there will be no water penetration through to the substrate when installed as per the stipulated installation instructions.

We have had no incidents of non-compliance with regulations and/or voluntary codes concerning the health and safety impacts of products and services within the reporting period.

For Jacobsen, the care for our products doesn't stop at point of sale. In Aotearoa up to 50% of landfill waste comes from construction and demolition⁽²⁾. This is why we continue to run our product stewardship scheme Re.Form as there are no New Zealand-based recycling schemes that can utilise flooring waste.

Packaging

Being importers of product, we have limited control over the packaging our products are sent to us in. We are working with our larger suppliers to trial new packaging materials whilst ensuring the safety of the product during transport and storage. This balance is a big challenge for us to solve.

Within the warehouse, we strongly encourage all our storemen to separate recyclable and waste correctly. For our wrapping material, we use biodegradable plastic wraps (made from shells) to wrap our vinyl rolls, which is one of our biggest selling categories.

(1) Volatile Organic Compounds

(2) [Ministry for the Environment](#)

Jacobsen®

Product Information Declaration

Tarkett iQ Granit Range

Range Description

This Jacobsen Product Information Declaration (PID) applies to the vinyl range sold by Jacobsen as Tarkett iQ Granit

Identifiers

See individual sku codes under [identifiers](#)

Scope and Limitations of Intended Use

<input checked="" type="checkbox"/> Residential	<input checked="" type="checkbox"/> Commercial	<input checked="" type="checkbox"/> Interior	<input checked="" type="checkbox"/> Exterior
<input checked="" type="checkbox"/> High Traffic	<input checked="" type="checkbox"/> Low Traffic	<input checked="" type="checkbox"/> Exposed Sunlight	<input checked="" type="checkbox"/> Wet Areas
<input checked="" type="checkbox"/> Antistatic Environment	<input checked="" type="checkbox"/> Food Prep Areas	<input checked="" type="checkbox"/> Clean Room	<input checked="" type="checkbox"/> With Wheels
<input checked="" type="checkbox"/> Ramp/Entry	<input checked="" type="checkbox"/> Under Floor Heating	<input checked="" type="checkbox"/> Over Existing Floor	

B Stability

Relevant NZBC Clause	Product Performance
B2.3.1(c)	10 years
Residential	-
Commercial	34 (ISO 10874)
Industrial	43 (ISO 10874)

C Protection from Fire

Relevant NZBC Clause	Product Performance
C4.3	
C4.3 (a) Wall	Group 3 (ISO 5660.1:2015)
C4.3 (b) Floor	CRF 11 kW/m2 (ISO 9239-1)

D Access

Relevant NZBC Clause	Product Performance
D1.3.3	
Level Surface (Wet)	SRV 50 (AS 4586:2013)
Level Surface (Dry)	Acceptable Solution
Suitable for food prep	-

E Moisture

Relevant NZBC Clause	Product Performance
E3.3.3	Impervious and easily cleaned
E3.3.5	Impervious and easily cleaned
E3.3.6	Water resistant
NZBC/AS1	-

F Safety of Users

Relevant NZBC Clause	Product Performance
F2.3.1	Less than 10 µg/m3 (ISO 16000-9)
	Does not encourage bacterial growth
	Phthalate-free
Indoor Air Quality	Optimal

G Services and Facilities

Relevant NZBC Clause	Product Performance
G3.3.2 (b)	Water resistant
G6.3.2	-

H Energy Efficiency

Relevant NZBC Clause	Product Performance
Thermal Rating	Approx 0.01m2 K/W (EN 12667)

X Warnings and Bans

Building Act 2004	Product Performance
Section 28	-

Supporting Documents

All supporting documents can be found on the Jacobsen website, [jacobsen.co.nz](#) or by this QR code



Case Study: Re-usable Yarn

We are constantly looking for new products that can be more sustainable, not only from the material it's produced with, but also how it is produced and the longevity and the performance of the product. There are too many products out on the market extracting virgin, non-renewable materials and recycling products into yet another single-use product. We want more products and materials that are designed to be remade so they can be truly circular.

Over the reporting period, our key suppliers Tarkett and Shaw Contract have introduced new carpet collections with yarns that can be infinitely recycled, recreated and remoulded again and again a truly circular product. We are proud that one of our key suppliers Tarkett, is one of the pioneer in their partnership with Aquafil (manufacturers of Econyl yarn).

Econyl yarn is made from nylon waste such as old fishnets, used textiles (clothing) and old carpets, all of which would otherwise go to the landfill.

Not only are the yarns 100% recyclable — at the end of its life, **Tarkett has developed a breakthrough technology in their facility to separate 2 principal components of carpet tiles; yarn and backing, while retaining more than 95% yarn purity. This level of purity is vital in ensuring that the polyamide 6 (PA6) is transformed into regenerated Econyl nylon yarn. This partnership is going full circle, with Aquafil sourcing post-use PA6 yarn from Tarkett to create its regenerated Econyl yarn⁽¹⁾.**

As a result of using this recyclable yarn, one of their latest collections Desso x Patricia Urquiola carpet tile has a total carbon footprint (Module A-D)* of 1.03kg CO2/M2 (if returned to Tarkett at the end of life). This is an incredible achievement compared to an average carpet that has 25% recycled content has a total carbon footprint of around 12kg CO2/M2.

Our other major partner Shaw Contract also uses nylon 6 yarn called EcoSolution Q100™. This is again a high performance 100% recycled content nylon fiber. Every square yard of Shaw Contract EcoWorx flooring with EcoSolution Q100™ fibre reduces the carbon impact by 42% v.s. traditional carpet tile.

Furthermore, they also developed their own closed loop process where old carpets (regardless of the yarn) are collected. Since 2006, Shaw has reclaimed and recycled over 450million kgs of carpet, including EcoWorx through their re[TURN]® Reclamation Program.

Tarkett and Shaw carpet tiles can be collected by Jacobsen as part of our Re.Form programme so they can be remade into new carpets. Find out more about our Re.Form programme on the next page.

(1) Econyl

* According to the Environmental Product Declaration (EPD) S-P-08561 - DESSO & Patricia Urquiola externally verified by Bureau Veritas, based on the total carbon footprint (Modules A-D) with a closed loop circular recycling scenario.

As we move forward to our knowledge around sustainability, It is important that we consider the whole lifecycle of a product. Technology like this is going to stop us from extracting raw material from the earth and waiting for it to degrade (bio or not) or creating another single use product.

While sustainability is crucial, our top priority is ensuring our products perform exceptionally well over a longer lifespan. By focusing on durability and products that are fit for purpose, we aim to minimise the need for frequent replacements, reducing environmental and cost impact. We believe both sustainability and longevity are hand in hand to create a positive impact on our environment over long term.



Econyl is made from waste, like fishing nets and old carpets.



EcoSolution Q100™.

Case Study: Re.Form



Back in 2020, we set up a product stewardship programme to return unwanted flooring to the manufacturers to be recycled into new flooring products or donated to Habitat for Humanity. We call this programme Re.Form. In 2020, Re.Form was recognised by New Zealand’s Sustainable Business Network as a finalist for the ‘Outstanding Collaboration’ Award. Despite our pride in achieving this recognition, it is worth acknowledging that it was only in pilot stage with a couple of customers at the time, and the programme was far from solidified at this point. Since its inception, there have been a lot of learnings as we work with the relevant stakeholders to improve the programme and make it scalable.

The programme works by us providing our participating installation partners with a flexible bag for them to fill with the discarded flooring material. They notify us for collection when the bag is full (on average each bag weighs around 160kg!). Jacobsen will arrange an external party to collect and deliver the bags to our head office. During the reporting period we had two sorting days where a team of people from the national distribution centre sorted all the returns into categories as required before sending on to our recycling/supply partners.

The Re.Form programme accepts Tarkett vinyls, Tarkett or Shaw Contract carpet tiles and Regupol rubber. Over this two year reporting period, we ran

the programme with 13 installation companies and to date we have collected two 20-foot containers of discarded flooring. One container will be sent to Tarkett (Sweden), the other to Shaw (USA). We are currently in the process to finalise the export licence/permit required for each port to ship these materials back to the supplier/manufacturer.

Whilst taking back old material is not new, and many manufacturers do so, a lot of these systems use the discarded materials to create fuel (waste to energy) or downcycle into a low value single-use item that is then landfilled or incinerated. These are not the circular business solutions we aspire to. The suppliers we are working with have created their product with circularity in mind, so a high proportion of the returned product is recycled back into raw materials to be remade into new carpets/vinyl. A truly circular system with products made to be remade. Now to shift the whole industry to this model!

Re.Form. (Continued)

Although we are proud of what we have achieved and are committed to growing the impact, the journey has not been easy. We started off on an ad hoc basis and very quickly realised that it was going to require far more sophisticated systems and processes to succeed in large volume.

Whilst we believe our instructions have been clear, we learnt that we need to engage the contractors more upfront to avoid any contamination in the bags. We have received materials such as cement, screws, nails, broken glasses, and food packaging, which creates a health and safety risk and requires our time to sort. We have also had situations where the bags are not loaded correctly onto the pallets, making it impossible for the bag to be collected. One such example (see photos) was a full pallet stacked neatly on a pallet but located on the second floor of a building with no lift! However, no challenge will stop our team. Two of our Sales Managers ended up spending a day moving the carpet tiles, one by one, back to ground floor before re-bagging and loading onto the pallet! We have also had bags that were not secured properly, causing products to fall during transport.

We are determined to make this right and achieve real scale and impact with Re.Form. We are fortunate to be gaining a lot of learnings through the collaboration with the participating installers that we can apply to the programme. One major improvement has been a new process in which we screen the contractors and ensure our sales managers talk them through the programme. This includes confirming the site is suitable and their team is informed and committed.

Other improvements include better reference to where the bags came from and which project was involved, as well as clearer and more visible guidelines to help address issues we experienced. Using Re.form has also been added to our Masterspec specifications so that the architect can request this to be done right at the time of specification for the project.

Jacobsen is funding and offering Re.Form as a free programme for all users to encourage them to embrace a more circular economy. We believe this is an important step to move our industry forward.



Papamoa College.

Case Study: Sustainability Training Initiatives

At Jacobsen, we want to be part of the community to share our learning and expertise across the industry. One way we do this is through our own Continuing Professional Development (CPD) modules registered with New Zealand Institute of Architects (NZIA).

One of the CPD modules we introduced in the reporting period is 'Sustainable Flooring and all you need to know' (10 CPD points). Following our last Impact Report, we recognised that educating the industry about the key sustainability factors for flooring would have the biggest influence on our future.

In the 'Sustainable Flooring and all you need to know' CPD, we covered eight key sustainability factors in flooring choice:

- Raw Materials & Recycled Content: What is the product actually made of?
- Supplier Credentials: Their environmental & ethical standards.

- Life Cycle Analysis & Environmental Product Declarations (EPD): Performance and maintenance over its lifetime.
- Embodied Emissions: What carbon is embodied in the flooring during manufacturing?
- End of Life: Is it recyclable? In NZ?
- Material Utilisation: What will be the wastage of product at point of installation?
- Material Health & Wellbeing: What will be the impact of living / working in a space with this product?
- Transparency & Credibility: What credible certifications has the product been assessed against.

We encouraged stakeholders to consider these factors when selecting flooring materials and showed how we worked with suppliers to ensure they meet our environmental and ethical standards. These credentials are published on our website for full transparency. This initiative demonstrates a commitment to sustainability and responsible decision-making in the industry.

The presentation was shared with all Jacobsen staff, particularly the marketing and sales teams, architectural practices nationwide as well as all customers, including retailers and contractors.

In addition to the above, Renee also appeared as a panelist at the *Archipro Commercial Expo* on the topic of 'The Circular Economy' in November 2022.



Archipro Commercial Expo panel.



Prosperity

Taurikura

Better Business.

As a company, we are committed to continuous improvement in how we operate, adapt and evolve with the ever-changing landscape. We are dedicated to fostering innovation and enhancing our services and offerings through constant exploration.

This page outlines five key areas of focus for us:

Economic Growth and Prosperity

Despite the uncertain economic climate in global markets as a result of the global pandemic, we have increased our revenue by 30% over this reporting period compared to our previous two year reporting period from \$91 million to \$118.5 million. It is worth noting that the prior reporting period, our business was heavily impacted by COVID lockdown and the inability to trade. Whilst our revenue has increased and we have considered this reporting period 'back to normal', we continue to have had many challenges

as a result of COVID. Our suppliers had limited access to raw materials impacting their production, shipping line congestion and availability resulting in endless price fluctuations. All this had a knock on impact on our customers. With everything that is happening in the world, war in Ukraine and the Middle East, we believe these global events will continue to have an impact on our business.

Transparency

As a business we work hard to openly and honestly communicate with our staff and external stakeholders and provide information on our products, our impacts, and our decision making. This Impact Report is a key demonstration of that transparency.

Innovation

During the reporting period, a notable advancement for us was the investment in our website and CRM system, aimed at enhancing the customer experience. Previously, our website faced limitations with subpar search functionality and content management.

To address these issues, we conducted thorough internal and external research to identify challenges faced by the team. Following 18 months of ongoing testing and learning, we successfully developed a more user-friendly website. This improved platform allows customers easy access to information, holding comprehensive product details and integrating seamlessly with our business software for personalized data like pricing and stock availability.

Moreover, our website now efficiently incorporates QR codes into all samples, which leads the customer directly to the appropriate page on the Jacobsen website where they can download any relevant technical or environmental information. This minimises the need to replace outdated information and reduce waste. A particularly well-received feature is our room visualiser, enabling customers to preview our flooring products in their spaces.

Since the website's launch, we've noticed a positive shift. Customer service calls have notably decreased as customers embrace self-service options, contributing to an overall improved experience with Jacobsen.

Marketing

Our procedures for labeling our products continue to be in line with the current New Zealand laws, which regulate what we supply. We have had no non-compliance issues over this reporting period.

Industry Partnerships

At Jacobsen we acknowledge that to truly achieve demonstrable change to the sustainability performance of our business we need to collaborate with our industry. The challenges that we face as a business, and as a community, are far bigger than any one organisation. It is for this reason that we take a proactive approach to working with industry peers on such programmes as Re.Form, and the Flooring Boost Programme. See next page for more details.

Wynn Williams Office, Auckland.



Case Study: Flooring Boost Programme

There is a severe skills shortage in the flooring installation trade. Nationally the sector needs to grow it's workforce by 25% but it is only achieving around 5% annually. Whilst we don't have installers as part of Jacobsen, they are a critical part of our value chain and ensure the product is installed in a way that provides a high quality finished product, as both appearance and performance can be impacted by poor installation. Therefore, we are proud to be engaging with key stakeholders and make a positive impact in the area of the flooring installation trade, both with board participation and financial support to Floor NZ, and initiatives such as the Flooring Boost programme and our Trades Training Trailer.

The Flooring Boost is a pre-trade taster programme, whose purpose is to onboard new candidates into the flooring industry with a view to those candidates enjoying long-term careers and contributing to the New Dunedin Hospital (NDH) build requirements.

The NDH is the largest and most complex infrastructure project at the present time in New Zealand. The quantity of commercial flooring needed to be installed is estimated at over 86,000m². Given the relatively small size of Dunedin, it is anticipated that the city's existing workforce may not be sufficient to meet the demands of the project.

Flooring employers in Dunedin were excited to participate in this programme where they could increase the number of workers in the flooring industry, benefit from the additional labour now during a time of acute labour shortage, and be ready to take on commercial flooring contracts for the NDH should a contract be offered. Flooring employers were also excited to work cooperatively with each other and the flooring supply chain partners to build capacity in the local commercial flooring industry. Ministry of Social Development criteria for funding relates to the trainee having barriers to employment

such as little to no work experience, or a long period out of the workforce.

In addition to supplying a state-of-the-art mobile training trailer, Jacobsen made a huge in-kind contribution to the project by coordinating and engaging flooring employers to the project, as well as providing multiple training sessions to the candidates. The efforts of Jacobsen, Workforce Central Dunedin and Ministry of Social Development resulted in three training schemes (two in Dunedin and one in Invercargill). Local commercial flooring companies such as Carpet Court (Dunedin & Invercargill), Flooring Xtra Invercargill,

TAK Flooring, A H Flooring Dunedin and Regal Floors were delighted to take on these trainees. Jacobsen drew upon Christchurch stakeholders, the Allied Trades Institute, to deliver the six-week pre-trades training in Dunedin and Invercargill.

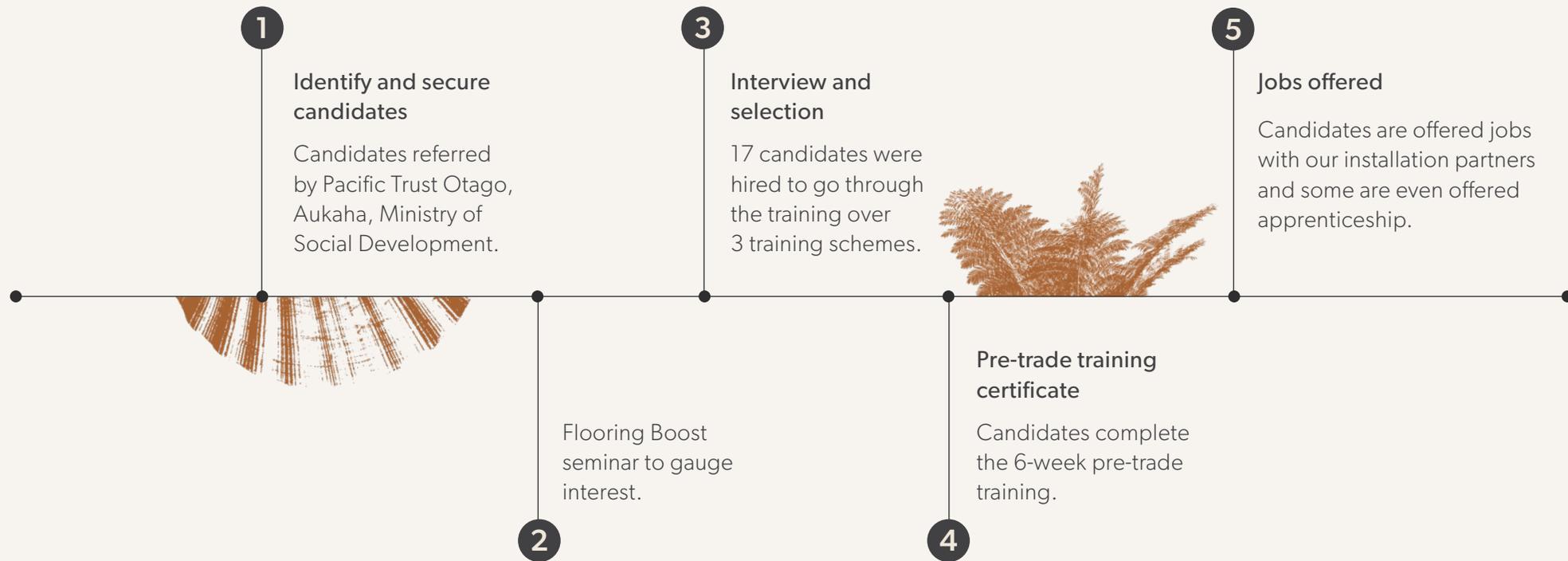
“The training facility provided by Jacobsen’s and Mark Faulkner’s (facilitator and mentor) input and enthusiasm were invaluable.”

— Tom Henbery, Work Broker, MSD.

Flooring Boost workshop.



Flooring Boost Programme. (Continued)



Governance.

Jacobsen's highest governance body is the Jacobsen Flooring Group Board, with a Treasury Risk Committee and Remuneration Committee.

Our Board currently consists of four Directors and one Advisor (based in the USA), and four Operational Executives who attend as observers. Within the reporting period two Directors left their directorship on the Jacobsen Flooring board and were not replaced. One had a tenure of one year, and the other a tenure of 12 years who remains a minority shareholder.

Of the four Directors and one Advisor, two are executive members and three are non-executive members. Details for each are provided on the following page. An Interests Register is provided on every Board paper for members to disclose any conflicts of interest. Any identified conflicts are decided on and communicated to stakeholders on a case by case basis.

Discussions about board and committee membership and requirements are held in these meetings, and committee membership is decided by the Jacobsen Holdings board. In addition, the shareholders and Jacobsen Family Council discuss nomination and selection for board members of both Jacobsen Flooring Group and Jacobsen Holdings boards.

Performance of Jacobsen's Board members is managed by our Chair and our shareholders. Although not formalised by way of cadence, Family Council meetings and Shareholder meetings are held which is the forum for raising any concerns of Board

performance. If performance of a Board member was identified as not up to standard the member would be engaged with by the Chair on a case-by-case basis. Should we identify the need for skills or experience not held by our current Board members, we would actively search for the right person to join or advise.

Remuneration of our Board members is reviewed annually in line with the employee annual remuneration reviews, effective 1st April. Board members are paid according to market benchmarks sourced from Institute of Directors and combined with information sourced from Strategic Pay. They receive a monthly fixed pay fee invoiced to the company.

For our Senior Executives, remuneration is reviewed annually in line with the employee annual remuneration reviews, effective 1st April, and the company achieving its profit targets. Their salaries are made up of fixed pay, incentives, and market leading company benefits.

Outside circulating pertinent articles from time to time, our Board members are encouraged to increase their knowledge, skills, and experience relating to sustainability in their own time. Prior to this reporting period, our CEO and Independent Chair attended the Cambridge Institute for Sustainability Leadership (CISL) programme held in Australia.



An event at our head office, Auckland.

Our Board.



Executive Directors



Renee Woolcott (Jacobsen)

- Appointed to the Board in July 2020.
- Minority shareholder via shareholding in Jacobsen Holdings Limited.
- CEO (Nov 22—present) Director of Marketing & Impact (Apr 21—Oct 22).
- Director in related companies within the Jacobsen Holdings Group; Jacobsen Holdings Limited, TileHaus Limited, and Jacobsen Tredsafe Limited, and has a shareholding interest in other businesses not related to Jacobsen.
- Member of the Jacobsen Family Council.
- Completed the University of Auckland Executive & Professional Development Transitioning to C-Suite Programme in 2022, and Institute of Directors Company Directors’ Course in 2020, University of Cambridge Sustainability Practitioner Programme in 2019, along with prior study in business.
- Over 10 years experience working within Jacobsen across a variety of roles.



Mark von Batenburg

- Appointed to the Board in March 2007.
- Managing Director.
- Also a Director in related companies within the Jacobsen Holdings Group; Floorspace Limited, Jacobsen Tredsafe Limited and Propspeed International Limited (although recently ceased as a Director but still involved in governance for Propspeed).
- Has some shareholding and Director interests outside and unrelated to the Jacobsen Flooring Group.
- Mark has been leading Jacobsen for the past 16 years.
- Engages across industry with Floor NZ and MBIE, involved in reviewing installation best practices and changes to building codes, and is well regarded for his technical expertise.

Our Board. (Continued)



Sue Suckling

- Appointed as a company Director in May 2021, but has been the Chair of Holdings and Subsidiaries since 2013.
- Professional Director & Independent Consultant, who has been recognised with numerous awards for her contribution to NZ business, most recently as a finalist for NZ Hi-Tech Awards (2018) and the Westpac Women of Influence Award: Board of Management (2015).
- Has held numerous prestigious Chair and Board roles, including Callaghan Innovation, NZQA, and SkyCity (including the Chair for the SkyCity Sustainability Committee).
- Chairs the related Jacobsen Holdings Group Board and Prospeed International Board.
- Unrelated to Jacobsen, Sue chairs a number of other NZ business boards.



Mark Oliff

- Appointed as an advisor to the Jacobsen Flooring Group Board in 2017.
- Flooring industry consultant based in Los Angeles, CA.
- Extensive career working within the flooring industry, leading large businesses and spanning across commercial, residential, and installation flooring markets.



Guy Jacobsen

- Appointed to the Board in September 1992.
- Majority shareholder via shareholding in Jacobsen Holdings Limited.
- Responsible for the business from 1973—2007
- Remains involved at governance and shareholder level.
- Also a Director and majority shareholder in related companies within the Jacobsen Holdings Group; Jacobsen Tredsafe Limited, Prospeed International Limited, Jacobsen Holdings Limited, and others.

Non-Executive Directors



Strategy, Policies & Practices.

The principles and values of Jacobsen are set by the Family Council (shareholders) and brought to life throughout the business by our Head of People and Wellbeing, and the Senior Leadership Team (SLT), as well as being incorporated in all job descriptions.

Our SLT is responsible for setting the business purpose, vision and strategy with input and sign off from the Board. We undertake strategic planning sessions at least annually with any proposed changes presented to the Board to be ratified. Sustainability is embedded into our company vision which is:

“Jacobsen source, market and distribute inspired, innovative and sustainable flooring products from leading suppliers. Jacobsen are accountable for the people, environmental and social impacts of our business. We are customer centric and disciplined in achieving our targets.”

The Board delegates responsibility for managing the organisation’s impacts on the economy, environment, and people to the SLT and the relevant Senior Executive, who in turn report to the Board bi-monthly on their areas of responsibility, and will attend one Board meeting annually. Any critical concerns will be included in these reports after having first been shared with Jacobsen’s CEO. If required, the CEO will raise critical concerns during her regular phone contact with the Chair, or will email Board members and arrange an urgent meeting if required.

Policy Commitments

Our Supplier **Code of Conduct**, written in line with the United Nations Global Compact principles, outlines the expectations we have of our suppliers in terms of their business conduct and the impacts they have on the economy, environment, and people. In relation to our own business conduct and expectations, we have a range of policies that are made available to every new employee during their onboarding process, and are accessible through our internal communications system. Implementing and embedding policies are the responsibility of the various Executives and Managers that the policy sits with across the business, and are overseen by our CEO. Policies are signed off by our Board.

Any employee can raise any concern about business conduct, policies, or other issues at any time directly to their manager, a senior leader, HR, CEO, Chair, or family member. If any policy review was required, this would be agreed on at SLT and board level and actioned by HR.

“Inspiring and creating better spaces for life.”



Jacobsen Audacity, Laminate.

Remuneration.

At Jacobsen, we have an annual remuneration review process that occurs in the new year, with any changes implemented on 1st April. Market benchmarking data is purchased and formatted for each role in the business, which is then reviewed by the relevant managers, who then make recommendations of movement based on performance, contribution and market rates and retention risks.

Once justifications are received back to HR from Managers, they are submitted to our CEO for review, and consideration within the annual budget setting process. CEO justifications are noted and then a paper is submitted to the Remuneration Committee. Any movement is confirmed by the Remuneration Committee and employees are notified by way of a personal letter from the CEO. All letters confirm the base salary movement and include total remuneration value, including any value of full private use of company vehicles (role specific), medical insurance value, company KiwiSaver contribution at 4%, at risk annual incentive, and any tuition support.

During this reporting period, the highest paid individual is the Managing Director who has a long service tenure of over 10 years. His pay ratio is less than 4 compared to the median of all other employees. This is significantly lower than the average CEO in New Zealand publicly listed companies with a pay ratio of 30-50⁽¹⁾.

The ratio of percentage increase in annual pay is done on the 1st April each year, so we have included the ratio for both 2022 and 2023 (outside the reporting period). The annual pay increase for our MD in 2022 was 6% vs 6.4% for the median percentage increase for all other employees. In 2023 this was 0% vs 4.5%.

(1) ['New Zealand pay ratios'](#), Otago University



Identifying & Remediating Negative Impacts.

In the case of identifying and remediating any actual or potential negative impacts, all our employees are advised that they have access to their manager, the Senior Leadership Team and the CEO at all times to raise any concerns, whether that is about culture, Health & Safety, business outcomes, environmental or social impacts. Employees can also submit an “ask me anything” anonymous query, which is received directly by the CEO. Any issues that are not of an employment relationship nature but more of a business conduct nature would be raised and discussed at our quarterly “all hands” meetings with all staff. This type of open and transparent communication has impacted on our employee eNPS⁽¹⁾ score by elevating trust and ensuring that concerns are raised, heard, and actioned.

The Senior Leadership Team are empowered and accountable for raising any employee concerns in fortnightly leadership meetings.

We also have regular monthly meetings with our largest suppliers to promote open and honest dialogue on all matters relating to our partnership.

(1) Employee Net Promoter Score





Global Reporting Standards



GRI General Disclosures.

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
General Disclosures				
GRI 2: General Disclosures 2021	2-1	Organisational details	9	
	2-2	Entities included in the organisation’s sustainability reporting	7	
	2-3	Reporting period, frequency and contact point	7	
	2-4	Restatements of information	21	
	2-5	External assurance	7	
	2-6	Activities, value chain and other business relationships	9,10	
	2-7	Employees	13,14,15,16	
	2-8	Workers who are not employees	14,15	
	2-9	Governance structure and composition	34,35,36	
	2-10	Nomination and selection of the highest governance body	34	
	2-11	Chair of the highest governance body	35,36	

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
GRI 2: General Disclosures 2021	2-12	Role of the highest governance body in overseeing the management of impacts	8,37,39	
	2-13	Delegation of responsibility for managing impacts	37	
	2-14	Role of the highest governance body in sustainability reporting	7	
	2-15	Conflicts of interest	33	
	2-16	Communication of critical concerns		During the reporting period, one critical concern was raised, however due to confidentiality concerns, details cannot be shared.
	2-17	Collective knowledge of the highest governance body	34	
	2-18	Evaluation of the performance of the highest governance body	34	
	2-19	Remuneration policies	38	
	2-20	Process to determine remuneration	38	
	2-21	Annual total compensation ratio	38	
	2-22	Statement on sustainable development strategy	37	

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
GRI 2: General Disclosures 2021	2-23	Policy commitments	37	
	2-24	Embedding policy commitments	37	
	2-25	Processes to remediate negative impacts	39	
	2-26	Mechanisms for seeking advice and raising concerns	39	
	2-27	Compliance with laws and regulations		No instances of non-compliance with laws and regulations during reporting period.
	2-28	Membership associations	9	
	2-29	Approach to stakeholder engagement	8	
	2-30	Collective bargaining agreements		We have no employees covered by collective bargaining agreements.

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
Material Topics				
GRI 3: Material Topics 2021	3-1	Process to determine material topics	8	
	3-2	List of material topics	8	
GRI 202: Market Presence 2016	202-2	Proportion of senior management hired from the local community	14,15	

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
Energy				
GRI 3: Material Topics 2021	3-3	Management of material topics	21,22,23	
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	22	
	302-2	Energy consumption outside of the organisation	21,22,23	
	302-3	Energy intensity	23	
	302-4	Reduction of energy consumption	23	
	302-5	Reductions in energy requirements of products and services	23	

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
Emissions				
GRI 3: Material Topics 2021	3-3	Management of material topics	21,22	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	21	
	305-2	Energy indirect (Scope 2) GHG emissions	21	
	305-3	Other indirect (Scope 3) GHG emissions	21	
	305-4	GHG emissions intensity	21	
	305-5	Reduction of GHG emissions	21	
	305-6	Emissions of ozone-depleting substances (ODS)	21	
	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	21	

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
Supplier Environmental Assessment				
GRI 3: Material Topics 2021	3-3	Management of material topics	24	
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	24	
	308-2	Negative environmental impacts in the supply chain and actions taken	24	
Employment				
GRI 3: Material Topics 2021	3-3	Management of material topics	13,14,15, 16,19	
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	14	
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	13	
	401-3	Parental leave	13	

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
Labor/Management Relations				
GRI 3: Material Topics 2021	3-3	Management of material topics	13,14	
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes		We have a communication policy that outlines how we respect our people with clear and timely communication but it excludes any formal approach on a minimum notice periods regarding operational changes.
Occupational Health and Safety				
GRI 3: Material Topics 2021	3-3	Management of material topics	17,18	
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	17,18	
	403-2	Hazard identification, risk assessment, and incident investigation	17,18	
	403-3	Occupational health services	17,18	
	403-4	Worker participation, consultation, and communication on occupational health and safety	17,18	
	403-5	Worker training on occupational health and safety	17,18	

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
Labor/Management Relations				
GRI 403: Occupational Health and Safety 2018	403-6	Promotion of worker health	16	
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	17,18	
	403-8	Workers covered by an occupational health and safety management system	17,18	
	403-9	Work-related injuries	17,18	
	403-10	Work-related ill health	17,18	
Training and Education				
GRI 3: Material Topics 2021	3-3	Management of material topics	16	
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	16	
	404-2	Programs for upgrading employee skills and transition assistance programs	16	
	404-3	Percentage of employees receiving regular performance and career development reviews	14	

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
Diversity and Equal Opportunity				
GRI 3: Material Topics 2021	3-3	Management of material topics	15	
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	14	
	405-2	Ratio of basic salary and remuneration of women to men	14	
Local Communities				
GRI 3: Material Topics 2021	3-3	Management of material topics	19	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	19	
	413-2	Operations with significant actual and potential negative impacts on local communities	19	

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
Supplier Social Assessment				
GRI 3: Material Topics 2021	3-3	Management of material topics	24	
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	24	
	414-2	Negative social impacts in the supply chain and actions taken	24	
Customer Health and Safety				
GRI 3: Material Topics 2021	3-3	Management of material topics	25	
GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	25	
	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	25	

GRI General Disclosures. (Continued)

GRI Standard / Other Source	Disclosure	Description	Page(s)	Notes
Marketing and Labeling				
GRI 3: Material Topics 2021	3-3	Management of material topics	25	
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	25	
	417-2	Incidents of non-compliance concerning product and service information and labeling	25, 31	
	417-3	Incidents of non-compliance concerning marketing communications	31	

As we reflect and celebrate our progress, it's also the time to look ahead at what further improvements must be made. This is a continually evolving journey of understanding and being accountable for all the environmental and social costs of doing business, as well as identifying opportunities to make the greatest positive impact around us, for our communities and planet, and within the context of our industry.

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