### officeworks



Our 2021-2022 Report





#### Officeworks

# We Make Bigger Things Happen for Australians

For more than 28 years, we've been passionate about helping our team, customers, communities and partners make bigger things happen. Our vision is to inspire Australians to work, learn, create and connect.

As the leading destination for stationery, technology, furniture, art supplies and education resources, we also offer

helpful services like Print and Create and our new B2B offer, Flexiworks, to help support Australia's hybrid workforce.

We're always focused on delivering a wide range, low prices and great service for our customers. And we're committed to putting people and the planet at the heart of what we do.



9,000+

team members



Geeks2U

on site tech support



National coverage

dedicated business support



168

stores across Australia



Every channel

e-commerce, call centre, click and collect



40,000+

products



\$3.17bn

annual sales

#### A message from

### Sarah Hunter

#### We're committed to making a positive difference.

At Officeworks, we recognise we have an important role to play in the lives of our team members and in the local communities where we live and work. With 168 stores across Australia and over 9000 team members, we know the decisions we make can have a positive difference today and into the future.

Now more than ever, we are looking at ways to support people and the planet and I am incredibly proud of the achievements we have made over the past year on our journey towards achieving our 2025 ambitions, together.

The safety and wellbeing of our team is always our number one priority. I am pleased to report that we have had our safest year yet with our total recordable injury frequency rate down 4.9 per cent to a record low of 5.8, and while one injury is one injury too many, this result is a testament to our team who continue to look after each other and come to work every day with a safety mindset for themselves, each other and our customers.

One of the ways we give back to our community is through our annual Make a Difference, Back to School and Wall of Hands appeals. Together with our customers, this year we contributed \$7.3 million to community organisations across Australia. These vital funds will go towards making a positive difference to more than 14,000 students through education resources and sponsorships, as well as lending support to national, state and local community causes including our long-term national partners The Smith Family and The Australian Numeracy & Literacy Foundation, and towards our partner Greening Australia

We're integrating sustainability into our everyday decision making, which is one of the ways we know we will achieve positive change. This year, we have reduced our emissions by a further 10.4 per cent, which since 2015 is a reduction of 36.8 per cent. We have opened two new and greener stores during the past financial year, with Eastern Creek (NSW) and Robina (QLD) both with sustainable features such as 100 per cent LED lighting, solar power and rainwater tanks to reduce emissions and environmental impact. And we are well and truly on our way to being 100 per cent powered by renewable energy by 2025, by installing solar

panels and signing our first large-scale wind and solar farm agreement in Queensland.

Part of our role in influencing sustainable and positive change is to bring our customers along with us on the journey. We are seeing strong evidence that our sustainability programs are making real impact. In the past financial year, we have seen strong growth in our Greener Choices range, which was introduced to help customers shop more sustainably. Our Restoring Australia initiative, in partnership with Greening Australia, which sees two trees planted for every one used based on the weight of paper and wood products sold, has now planted 1.24 million trees and restored 1,800 hectares of land and habitat since launching in 2017. And in February we announced our 21 per cent investment in the World's Biggest Garage Sale, to help scale circular economy solutions for customers and the broader retail industry across Australia to repair and repurpose imperfect products.

Our Bring it Back program continues in its mission to save waste from going to landfill. We have recycled, repurposed or repaired over 1,650 tonnes of unwanted products at the end of their life this past year and over 7,000 tonnes since the program's inception, making it easy and accessible for Australians to recycle.

Of course, our progress towards achieving our People and Plant Positive commitments would not be possible without the support of our team, customers and partners. Our achievements and success are shared. Only with their support are we are able to continue on our mission to make a positive difference and help make bigger things happen for people and the planet.



### Contents



#### Our People & Planet Positive 2025 Commitments

- 08 Our People & Planet Highlights
- 10 Our Progress People
- 12 Our Progress Planet
- 14 Integrating sustainability into business-as-usual practices



#### 16 People

- 8 Elevating diversity internally & within our communities
- 20 Our Team
- 28 Our Community
- 34 Human Rights
- 38 Our Supply Chain



#### 40 Planet

- 2 Expanding our approach to emissions and waste
- 4 Climate Action
- 8 Restoring Australia planting sites
- 51 Circular Economy
- 57 Sustainable Purchases



#### 63 Looking ahead, together

- S4 Sharing our ambition and bringing others along with us
- 66 Our Partners



We wish to acknowledge the Traditional Custodians of Country throughout Australia and the continuing connection to lands, waters and communities. We pay our respects to Elders past and present.



## W

## Our People & Planet Positive 2025 Commitments

At Officeworks, we're committed to putting people and the planet at the heart of what we do. By integrating sustainability into our strategy, operations and decisionmaking processes, we can contribute positively to people, the planet and long-term prosperity.

Our 2025 commitments outline our long-term approach to making a positive difference to people and the planet, by supporting the aspirations of our team members and communities in which we operate, upholding and respecting human rights throughout our operations and supply chain, taking meaningful climate action, contributing to a more circular economy and enabling customers to shop more sustainably.

Our current plan, established in 2020, outlines 18 ambitious commitments across six pillars, providing a five-year roadmap for our team, partners and communities to work towards. These commitments were developed after extensive stakeholder engagement which helped us understand the issues of most importance to our team, customers, communities, partners, shareholders and other stakeholders. The process includes interviews, research and workshops, and is undertaken every two years to ensure we remain informed about our stakeholder priorities and concerns, and that we are making good progress against our long-term commitments.

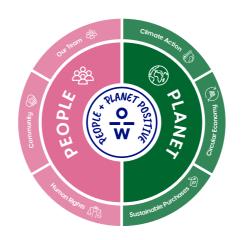
During our most recent stakeholder research, conducted in 2021, our stakeholders expressed confidence in Officeworks' ability to deliver the commitments outlined in our People and Planet Positive 2025 Plan. In recognising Officeworks as a leader in sustainability, they further encouraged us to educate, inspire and advocate for change beyond our direct control. As a result, the four priority issues identified during this process

reflect the maturity of Officeworks' approach to addressing sustainability concerns and opportunities to contribute to a more sustainable future.

Firstly, in order to achieve the People and Planet Positive commitments, Officeworks must continue to integrate sustainability into business-as-usual activities. Secondly, as a leader, it is important for Officeworks to share our ambition and bring others along with us on the journey. Thirdly, we must further elevate diversity internally but also within our communities. And finally, we must expand our approach to reducing carbon emissions and waste further throughout our supply chain. This report provides an update on these four issues, along with the progress we are making on our 2025 commitments.

Our People and Planet Positive 2025 Plan is our second long-term sustainability strategy, following the successful completion of our Positive Difference Plan 2015 - 2020. We recognise the importance of working towards long-term targets, and are incredibly proud that our sustainability efforts were recognised by the Banksia Foundation when we received the Large Business Transformation Award in 2022.

As we look back on our achievements, progress and challenges during the 2021 - 2022 financial year, we remain committed to working towards our 2025 commitments and contributing positively to people and the planet along the way.



People and Planet Positive 2025 includes 18 commitments across six pillars. This report outlines our progress to date and focus for the year ahead.



- Create a safe, healthy work environment where our team can thrive
- Ensure our team reflects the communities in which we operate, with a strong sense of belonging
- Our team is capable for today and the future of work



- Raise \$5m for local causes
- Help 30,000 Australian students who need it most
- Provide a helping hand to 50,000 small businesses when they need us



- Enable positive change for 15,000 workers in our supply chain
- Work towards eradicating modern slavery
- Use data responsibly and ethically



#### **Climate Action**

- Use 100 per cent renewable electricity by 2025
- Reduce emissions in our supply chain
- Plant 2 million trees on behalf of our customers



#### **Circular Economy**

- Become a zero-waste business
- Repair, repurpose or recycle 17,000 tonnes of unwanted products
- Ensure all packaging is reusable or recyclable



#### **Sustainable Purchases**

- Zero deforestation in our supply chain
- Provide a wider range of Greener Choices
- Phase out problematic plastics

Supporting the United Nations Sustainable Development Goals























#### o W

# Our People & Planet Highlights

Financial year 2021 - 2022





#### **People**



#### Recognition

Our team was recognised for their commitment to sustainability by the Banksia Foundation, winning the Large Business Transformation Award



5.8

It was our safest year yet, with 5.8 injuries per million hours worked representing a 4.9 per cent improvement on the prior year



1,591

1,591 team members were seconded to another role, promoted or transferred into another opportunity at Officeworks



\$7.3m

We contributed \$7.3m to support local and national community causes, an increase of 13 per cent on the prior year



14,007

14,007 students were given a helping hand, with 9,820 students supported through our partnerships with sponsorships and educational resources to improve education outcomes



2,269

We enabled positive change for 2,269 workers in our supply chain



#### **Planet**



10.4%



1.24m

1.24 million trees have been planted and 1,800 hectares of land restored since launching our Restoring Australia initiative in 2017

We achieved a 10.4 per cent reduction of

direct carbon emissions on the prior year,

representing a 36.8 per cent reduction in

market emissions since 2015



#### Renewables

We progressed towards our goal of using 100 per cent renewable energy by 2025, including signing our first large scale wind and solar farm agreement in Queensland



1,651

1,651 tonnes of unwanted products were collected to be recycled, repaired or repurposed and over 7,000 tonnes in total since 2015



Circular Economy We invested in a 21 per cent stake in the World's Biggest Garage Sale to scale circular economy solutions for the retail industry across Australia



37m

The annual equivalent of 37 million pieces of plastic were removed from product packaging or through the removal of single use plastic products



We've continued to prioritise the safety and wellbeing of our team, support communities when they've needed us, and taken steps to uphold and respect human rights.





#### **Our Team**

Commitment to 2025

**Our progress** 

Create a safe, healthy work environment where our team can thrive



#### On track

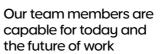
We've had our safest year yet, and have continued to provide our team with tools, programs and education to support their mental health

Ensure our team reflects the communities in which we operate, with a strong sense of belonging



#### On track

We continued to deliver our Diversity & Belonging Plan, further increasing the diversity of our team and boosting a sense of belonging





#### Progressing

We implemented new training programs to further develop the skills of our team now and into the future



Raise \$5m for

local causes

#### **Our Community**

Commitment to 2025

Our progress





#### On trac

Over \$7.3 million in community contributions, \$1.27 million of which went to local causes this year

Help 30,000 Australian students who need it most



#### On track

Together with our customers, 9,820 students were supported through our national partners, with over 14,000 students in total supported throughout the year

Provide a helping hand to 50,000 small businesses when they need us



#### **Progressing**

Supported more than 5,000 small businesses



#### **Human Rights**

Commitment to 2025

Our progress

Enable positive change for 15,000 workers in our supply chain

Work towards eradicating

modern slavery



#### On track

Enabled positive change for 2,269 workers through our Worker Voice program



#### Progressing

We recognise it's a complex issue, but have continued to increase supply chain transparency and increase our focus on indicators of modern-slavery risk



#### On track

We continued to strengthen our approach to data governance





We've accelerated progress and broadened our scope as we focus on implementing positive solutions that protect our planet, whilst helping our customers do the same.





#### **Climate Action**

Commitment to 2025

Our progress

Use 100 per cent renewable electricity by 2025



#### On track

We reduced our emissions by a further 10.4 per cent, continued the roll out of on-site solar power systems and signed a large-scale wind and solar farm agreement

Reduce emissions in our supply chain



#### **Progressing**

We've strengthened our understanding of Scope 3 emissions and are focusing on using data to inform priorities for emission reduction opportunities

Plant 2 million trees on behalf of our customers



#### On track

With thanks to our customers, so far we have planted 1.24 million trees through our Restoring Australia initiative.



#### **Circular Economy**

Commitment to 2025

Our progress

Become a zerowaste business



#### On track

We reduced total waste generation by 6.8 per cent, despite growing our business, and continued to identify opportunities to design out waste

Repair, repurpose or recycle 17,000 tonnes of unwanted products



#### Progressing

We have collected 7,000 tonnes since launching our Bring it Back program in 2015, and invested in The World's Biggest Garage Sale

Ensure all packaging is reusable or recyclable



#### On track

99.8 per cent of our own-brand product packaging is recyclable, and we continued to work with national brands to achieve our goal



#### **Sustainable Purchases**

Commitment to 2025

Our progress

Achieve zero deforestation in our supply chain



#### On track

99 per cent of paper products are now FSC certified or made from 100 per cent recycled content, along with 81 per cent of furniture products

Provide a wider range of Greener Choices



#### On track

We expanded our range of Greener Choices, with 2,400 products available, and made it easier to find them



#### On track

We removed 37 million pieces of unnecessary plastic packaging and single use items



#### o W

# Integrating sustainability into business-as-usual practices

By integrating sustainability into the decisions our team members make every day, we will be better placed to achieve our 2025 commitments and ensure we are exploring more opportunities to create positive change for people and the planet.

We are committed to ensuring our team is educated, informed, and empowered to make decisions that consider their impact on people and the planet. These decisions range from individual actions, such as choosing which bin to dispose of waste, to the collective decisions that inform business strategies, such as how sustainability is embedded into our supply chain modernisation strategy.

During the year, we further invested in training programs and hosted events on topics such as how to support our local communities during times of need, the impacts of climate change, and transitioning to a circular economy. We invited subject matter experts including climate scientists and representatives from our community partners, such as The Smith Family, to talk to leaders and teams across the business. This enabled us to further increase our understanding of these issues, and the role we can play to address them.

Through our internal communications, we shared progress and encouraged greater dialogue between teams to identify new opportunities. This included using our People and Planet Positive Workplace group, and the implementation of new back-of-house signage for our store teams.

The progress we have achieved across our 18 commitments is a reflection of the decisions made and actions taken by each of our 9,000+ team members. This includes contributing a total of \$7.3 million towards communities across Australia and supporting a record number of students who need it most, collecting 1,700 tonnes of unwanted products to be recycled through our Bring it Back program, and removing the annual equivalent of 37 million pieces of plastic packaging or single use plastic items.

During the year, we opened new stores that include sustainability features such as solar panels, LED lighting and rainwater harvesting, and further progressed our supply chain modernisation strategy with new warehouse facilities that include solar panels and the integration of green star design principals.

Sustainability is important to our team members, and we will continue to support and encourage them to make a positive difference through the everyday choices they make.















People



#### O W

# Elevating diversity internally & within our communities

Fostering a culture that encourages and embraces diversity in all forms contributes to our team members' wellbeing and sense of belonging, and better reflects the communities in which we live and work. This provides us with the opportunity to celebrate and connect with our communities in a more meaningful way.

Our Diversity and Belonging plan focuses on building awareness and knowledge across three key pillars of First Nations - people and culture identity and accessibility. Our commitments and actions help to create a culture where our team members feel valued and comfortable raising ideas and concerns, bringing out the best, most engaged versions of themselves.

During the year, a number of initiatives have taken place under these pillars, including:

- Increasing the number of team members that identify as Aboriginal and Torres Strait Islanders by focusing on attracting, retaining and developing Indigenous team members. This includes continuing our partnership with the Clontarf Foundation as well as providing development opportunities such as the Wesfarmers Indigenous Leadership initiative.
- In FY2023, we will build cultural awareness through dedicated training for our team members to increase understanding of our First Nations peoples history, culture and customs, and celebrating key events to raise awareness internally and within our communities.
- Participating in the founding of InterRetail, a network of LGBTIQA+ employee groups across retail organisations that aims to connect, to share best practice to create a more inclusive retail environment across Australia, and supports Pride in Retail.

- Continued expansion of our flexibility policy to ensure a culture across Officeworks that supports all types of flexibility
- National Disability and Accessibility partnerships to support greater access to careers and support at Officeworks
- Women in Leadership, and an ongoing focus on talent identification and people's development.
- First Nations people's stories and achievements, including the artwork of emerging Indigenous artists, featured in customer facing articles as a way to raise awareness of and recognise Indigenous achievements.

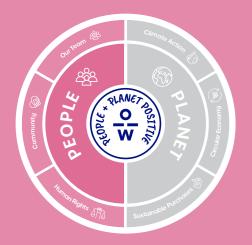
Our Diversity and Belonging plan includes initiatives to upskill line managers' cultural awareness and leadership of diverse teams, helping to improve the sense of belonging for minority group team members across Officeworks. Our annual engagement survey includes optional questions about identity and demography, as well as caring and parental responsibilities, to help us continue to identify opportunities to best support the diversity across our team.

In FY2023, we will continue to deliver our Diversity and Belonging plan and further explore ways to integrate these initiatives within our community-related and customer-facing activities.

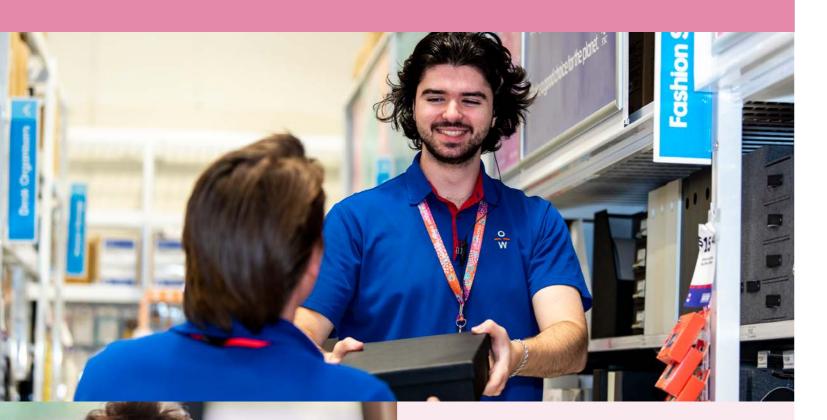








### Our Team



We're committed to keeping our team and community safe, well, and engaged

#### Commitment 1:

# Create a safe, healthy, work environment where our team can thrive

#### What's the issue?

The safety, health and wellbeing of our team members and customers is our number one priority. Our goal is to make sure that everyone arrives home safely after working, shopping or visiting us, free from any kind of harm or injury.

We recognise that supporting the health and safety of our team is not just about physical wellbeing, but also achieving positive mental health and wellbeing outcomes. This enables our team members to bring their best selves to work, every day.

#### What are we doing?

In the past year, we have continued to see improvement in our safety performance, resulting in our safest year yet with our Total Recordable Injury Frequency Rate (TRIFR) reducing to 5.8. This means that during the past 12 months, 58 team members have lost one or more shifts due to an injury at work. While one injury is one too many, a TRIFR of 5.8 represents a 4.9 per cent improvement when compared to the previous year. Contributing to these results was the introduction of the full InjuryCARE program to New South Wales and Western Australian sites.

Additionally, the Injury Prevention Program was released to our store-based team members and included fact sheets designed to be displayed as quick reference guides on staying safe at work, with supporting educational videos that are accessible to all team members.

To further elevate a safety-first culture, We commenced a safety behaviour program, Switch On. The two-day workshop involved participants from the Officeworks Leadership Team, Store Operations and Supply Chain teams and provided resources to help develop and sustain a safety culture of awareness, accountability and courage.

Our health and wellbeing program, Your Best Life, continued this year and provided team members with tools, resources and initiatives to improve wellbeing, supporting our team to live their best life. The Moving Mindz 2.0 eight-week wellbeing challenge inspired over 2,400 team members from all areas of the business to participate in the program. Moving Mindz 2020 was highly commended in the National Safety Awards of Excellence, Best Wellbeing Program category (Dec 2021) by The National Safety Council of Australia.

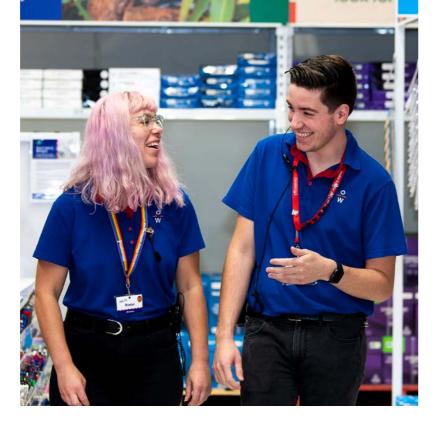
Other safety, health and wellbeing initiatives included running the Springfox Resilience Program for Senior Leaders, virtual mental health training workshops for People Managers, and monthly wellbeing webinars for team members covering topics such as nutrition, fatigue, financial wellbeing, mindset, relationships and mental fitness workshops.

During the period, we continued to provide a COVID-safe working and shopping environment, with all sites operating in accordance with Public Health Orders throughout the 2022 financial year. COVIDSafe Plans were regularly reviewed and updated throughout the year to reflect the ongoing changes in restrictions and definitions in the various states and territories.

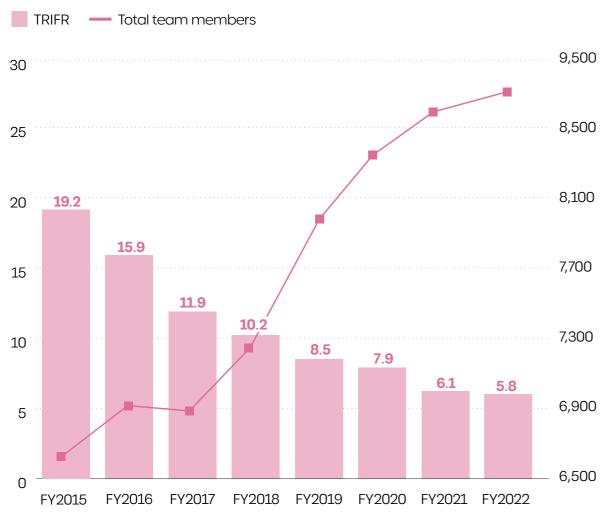
Officeworks continues to foster an environment where safety is viewed beyond the risk of physical harm, building a psychologically safe workplace where our team members feel comfortable to speak up if they are not feeling well from either a physical or mental health perspective. This includes reducing mental health stigma by encouraging everyday conversations of care as well as acknowledging days of significance, such as RUOK? Day.

#### Focus for FY2023

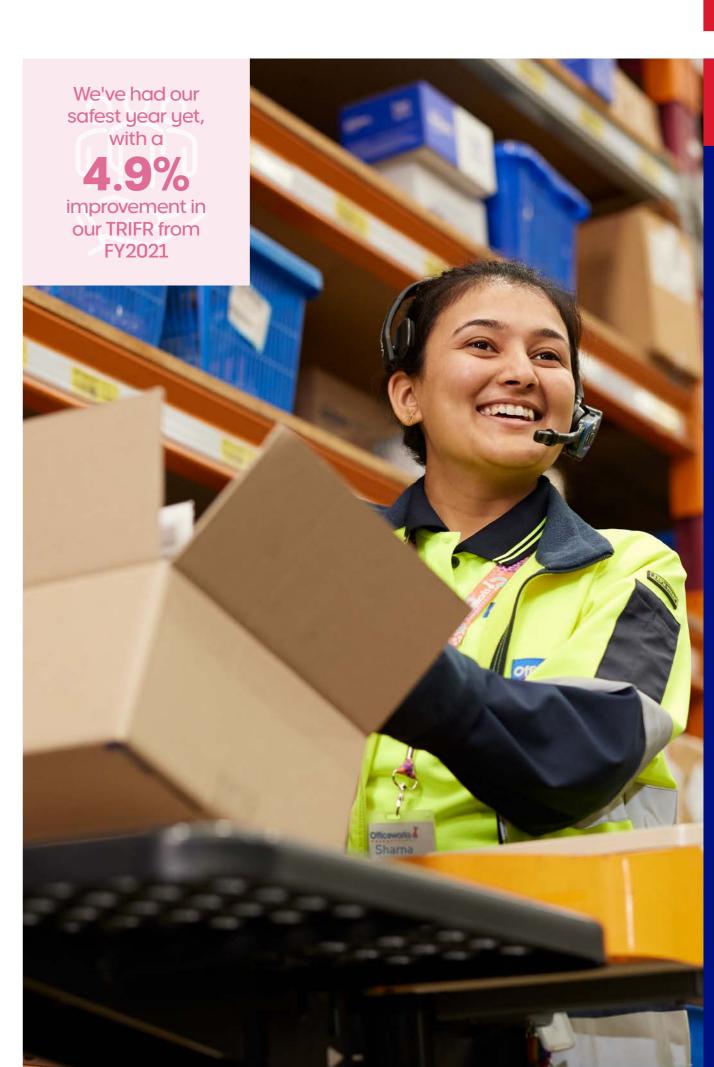
We will continue to invest in our team members to ensure they are safe, well, and empowered to live their best life. We will continue to implement our behaviour based safety program, Switch On, across the business and continue to identify additional opportunities that provide a safe working and shopping environment. We will continue to invest in, and encourage team members to participate in, programs and conversations that promote good health and wellbeing outcomes, including the use of new tools such as a Health, Safety and Wellbeing portal.



#### Total recordable injury frequency rate (TRIFR)\*









#### Commitment 2:

### Ensure our team reflects the communities in which we operate, with a strong sense of belonging

#### What's the issue?

We celebrate people from all walks of life, and we are creating a culture of belonging that is reflected in the day-to-day behaviours demonstrated by our team members at every location and at every level of the business. Officeworks recognises the value that diversity brings to the business and understands that diversity means many different things, including individual life experience, skill, ability, age, ethnicity, religious and cultural background, family status, sexual orientation and gender identity.

#### What are we doing?

It is important to us that team members feel valued and accepted when they come to work, and that they feel like they belong. We work to ensure that our team members feel like their contributions are valued, in an environment where they are comfortable to raise ideas and concerns. In our 2022 annual engagement survey, YourSay, 85 per cent of our team members indicated that Officeworks values diversity, inclusion and belonging, and 75 per cent said they feel like they belong as part of the team.

Officeworks' Diversity and Belonging Strategy enables us to support our team members to continuously build their capability to have authentic and supportive discussions about equity, diversity and inclusion in a workplace which promotes these values.

We have three key focus areas within our strategy:

First Nations – To respect and recognise
 Australia's First People by building a greater
 understanding of their history, customs and
 culture as well as providing career opportunities
 and guidance for First Nations team members.

During the year, we achieved and maintained employment parity for First Nations People, with 323 team members identifying as Aboriginal and Torres Strait Islander as of 30 June, 2022. This represents 3.5 per cent of our workforce, making Officeworks a stronger and more diverse business that is reflective of the Australian population and the communities we serve.

We achieved this employment milestone through investment in the retention of existing First Nations team members, continuing our partnership with the Clontarf Foundation, and providing Indigenous team members with opportunities for personal and professional development. This includes Wesfarmers' Indigenous Leadership Initiative, which supports Indigenous team members to develop management and leadership skills.

During the period, we celebrated Indigenous culture with the release of an office essentials stationery collection designed by First Nations artist Merindah-Gunya, a proud member of the Eastern Maar people of the Gunditjmara nation in Southwest Victoria. In addition, for every product sold from the range, 50c was donated to The Australian Literacy & Numeracy Foundation towards their 'Living First Languages' platform, which focuses on preserving, revitalising and teaching First Languages.

• **Identity** – To recognise and support diversity across the business.

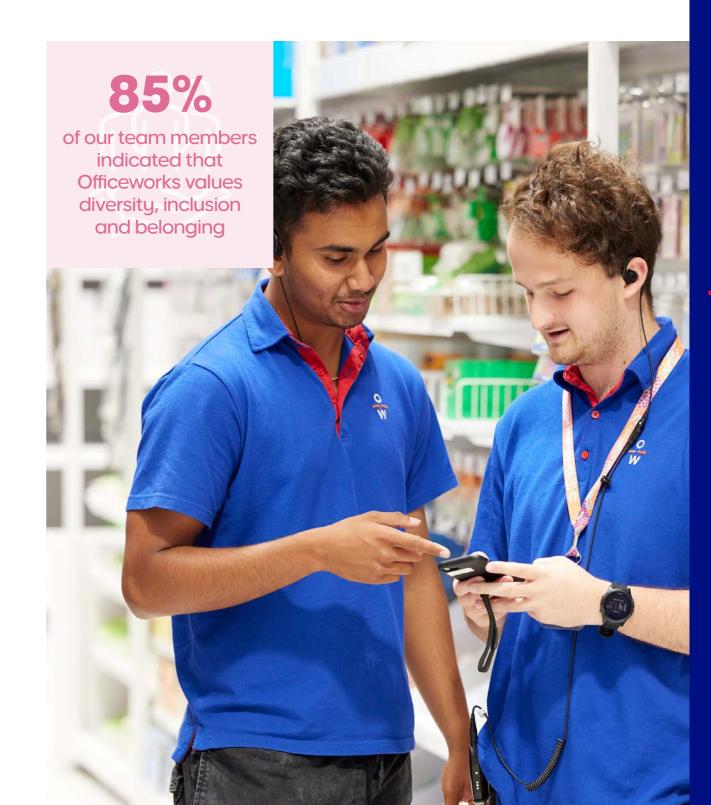
Officeworks continues to focus on maintaining gender balance in our leadership team, as defined by a 40/40/20 mix, with more than 45 per cent of leadership roles currently held by women signifying an increase of two per cent over the prior year. Officeworks continued our partnership with Pride in Diversity to support building pride awareness and workplace inclusion as well as increasing our focus on the Officeworks Pride Network. This provides a signifying way for our team members to identify as LGBTIQA+, or be allies to these communities. We launched rainbow lanyards and bandanas for team members which have been widely adopted by individuals across the business.

 Accessibility – To ensure team members are empowered to work in a way that suits them, including working families and carers.

Officeworks' flexibility policy ensures we provide the right level of support and flexibility for team members, empowering them to choose when and where to work, whilst considering the business needs in conjunction with their own. We continued our partnerships with Circle In and Transitioning Well, to ensure team members that are primary careers continue to be supported through all different stages of life.

#### Focus for FY2023

We will continue across the First Nations, Identity and Accessibility pillars in our Diversity and Belonging plan. Following the launch of the Wesfarmers Elevate Reconciliation Action Plan in July 2022, we will work towards achieving the commitments outlined, including an ongoing focus on hiring, retaining, and developing Indigenous team members within stores, support centres and customer fulfillment centres and raise further awareness of First Nations cultures through cultural awareness training.





#### Commitment 3:

# Our team members are capable for today and the future of work

#### What's the issue?

Our team members are central to the ongoing success of our business. As the world continues to evolve and adapt in response to new innovations and challenges, we need to make sure that our teams have the tools, capabilities and resources they need to succeed in their professional lives now and into the future. Like many Australian businesses, the COVID-19 pandemic disrupted the way we work at Officeworks, requiring us to adapt and providing us with numerous learning opportunities in the process.

#### What are we doing?

Each year, we conduct an annual engagement survey to measure overall team member engagement, and gather feedback relating to topics including career development, growth, and learning opportunities. Last year, one of the strongest areas of feedback came from our in-store managers who were seeking more development in the fundamental skills of being a leader. As a result, we created and invested in developing Spark, a program to support all line managers to build their confidence in core management and leadership skills. During the year, line managers and Store Business Managers across Officeworks undertook the course.

During the year we completed the relocation of our Victorian Customer Fulfillment Centre (CFC), which features advanced supply chain technology solutions, as part of our supply chain modernisation strategy. Existing team members were provided with the opportunity to learn and expand their skillset with hands-on technical training in new equipment and technology including robotics. Over 230 team members and casual labour hire were provided comprehensive on the job training during the transition to ensure they were ready to operate in a completely new environment. Feedback from the recent Your Say Engagement survey demonstrated this, with almost 80 per cent saying that they knew what they needed to do to be successful in their role. However, the survey also indicated that there is still some further development required to ensure our team members feel like they have the knowledge they need to do their job well.

Over the last year, our Support Office teams have worked both remotely and in a hybrid way. We invested in technology to support hybrid working, such as online collaboration tools, and strengthened our teams' skills in virtual tools through online training programs while continuing to ensure our support office team members were equipped and supported to work from anywhere.

Building our digital, analytics and supply chain capability will also continue to be critical as we grow our business and evolve our every channel offer. We have partnered with Australian Computer Society's online learning platform for the digital and analytics teams to support our team's skill development. We understand that it is critical to continue upskilling our workforce and are supporting our team members' ongoing development so they can continue to deliver great service for our customers and so we can provide meaningful roles for our team members.

We are also heavily focused on building Talent Management maturity and creating a healthy talent pipeline to support the internal career progression for our team members. During the year, more than 1,500 Officeworks team members were seconded into another role, promoted or were transferred into another opportunity working at Officeworks.

#### Focus for FY2023

We will increase investment in several key areas to enable more of our team to continue to grow their career, skills and knowledge. This will include developing induction and pathway programs to support team members joining Officeworks and for the career progression for our key operational roles in Stores and Supply Chain. We will also introduce the Officeworks Leadership Competencies with aligned learning and development tools, and continue to implement the Spark leadership program for new line managers and store coordinators. We will further invest in our support office teams to better connect and collaborate as we relocate into a new office in mid-2023.









# Our Community





We're committed
to being a part of
where we live, with a
focus on supporting
local causes and
educational outcomes

#### Commitment 4:

# Raise \$5 million for local causes

#### What's the issue?

Officeworks is committed to supporting the local communities in which we operate and is passionate about building meaningful connections that help others overcome challenging circumstances and thrive. In order to best support the diverse needs local communities face, we empower our team members across Australia to support causes and organisations in ways that are most meaningful in their local community.

#### What are we doing?

Our annual "Officeworks" Make a Difference Appeal allows customers to round up the cost of their purchase, contributing financial support to local and regional causes. Recognising the impacts on communities across Australia from COVID-19, we partnered with organisations that provided support for children's health and education. During June 2022, together with our customers we raised \$1 million to support 14 organisations across the country.

During times of crisis, our team members aim to respond quickly to best support their communities. In response to the devastating NSW and Queensland floods we partnered with GIVIT and raised much needed funds for the flood-affected communities. For a week, customers had the chance to round up the cost of their purchase in-store or donate online to show their support for flood victims. Thanks to the generosity of our team and customers, we contributed \$400,000 to communities in need. Additionally, we donated 500 literacy packs to the Australian Literacy and Numeracy Foundation to support students with the equipment needed to resume their studies in flood affected areas.

#### Focus for FY2023

We will continue to raise funds through our annual Make a Difference Appeal, responding to the unique challenges our local communities are facing. Our focus will be directed on diversifying our fundraising streams and exploring further opportunities for team members to actively participate across the business.

\*This year Officeworks' results reflect two campaigns due to changing in reporting dates based on when funds were raised.





#### Commitment 5:

### Help 30,000 Australian students who need it most

#### What's the issue?

Across Australia, there remains a significant gap in education standards between students who are living in disadvantaged circumstances and those who are not. This disparity is especially prevalent in remote Indigenous communities, where literacy and numeracy levels are substantially lower than non-Indigenous communities. Officeworks believes every child should have equal access to education

#### What are we doing?

As a leading provider of educational resources for early learning centres, primary and secondary schools, one of our strategic priorities is promoting strong educational outcomes for all Australian students, no matter their circumstances.

Together with our long-term partners The Australian Literacy and Numeracy Foundation and The Smith Family, Officeworks identifies opportunities and champions causes that support students who need it most. The ALNF is pivotal in helping raise language, literacy and numeracy standards in Indigenous communities across Australia, and through the partnership we contribute vital funds for educational programs, specifically for Indigenous Australians. The Smith Family provides students with sponsorships that help cover education costs such as books, excursions, and uniforms. During the financial year, thanks to the generosity of our team and customers,

9,820 Australian students received sponsorships and education resources which was as a result of the more than \$2 million that was raised through the Wall of Hands and Back to School Appeals.

To further support students throughout the year, we developed new initiatives including hosting The Smith Family's Work Inspiration reach out sessions to facilitate employment opportunities and partnered with book-sharing organisation 123Read2Me.

Through the partnership, 17 Officeworks sites host a collection box for second-hand books, giving the team and customers the opportunity to donate pre-loved children's books to children who need it most, with many located in flood affected areas of northern NSW and Queensland. So far 40,000 books have been collected, making a positive difference to wellbeing, supporting children's access to literacy and reducing 5.9 tonnes of waste to landfill.

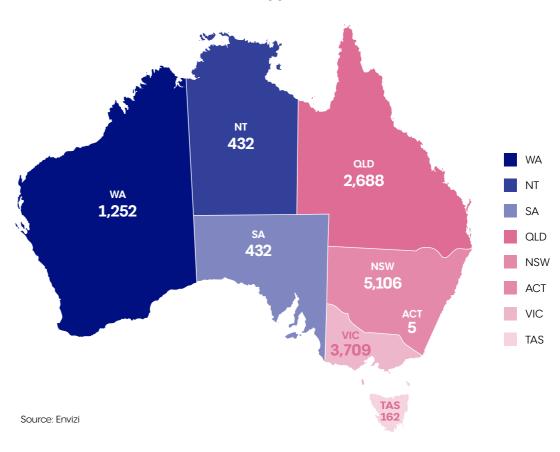
#### Focus for FY2023

We will continue to work with the ALNF, The Smith Family and our team members and customers to provide support where it is most needed. We will further progress initiatives that aim to deliver year-round support to our partners, including an expansion of The Smith Family's Work Inspiration sessions. The impacts of COVID-19 have further highlighted the digital divide for Indigenous and disadvantaged students, and we will explore the role we can play in bridging this gap.





FY2022 Total number of students supported in Australia





#### Commitment 6:

# Provide a helping hand to 50,000 small businesses when they need us

#### What's the issue?

Small businesses are the backbone of our communities and rely on us to help them start, run and grow their operations. We work hard to support our small business customers as we know they have done it incredibly tough during the pandemic and are rebuilding from the disruption of the past two plus years.

#### What are we doing?

This year, with the renewed focus and support from the local community engagement team, we have provided in-kind support to more than 5,000 small businesses when they've needed it most, to help them survive through the COVID-19 pandemic and set them up to thrive in recovery.

Our store teams are encouraged and measured on the connections they create in their local communities, engaging with small businesses, local schools, community groups and not-forprofit organisations. This has been a successful approach and we have seen an increase this year in the businesses that we have supported.

For the second year we ran the Print, Copy and Create A Merry Festive Season initiative which aims to help small local businesses connect with their customers throughout the festive season with in-kind business printing. This ranged from updating trading hours, banners, posters, flyers, and menus. Our store team members went out into their local communities to promote the initiative. As a result, we supported 912 small local businesses through providing over \$80,000 of in-kind printing.

One of the organisations we supported was All Things Equal, a social enterprise café who provide purposeful employment for people with and without disability in a mainstream work environment. Our support of in-kind printing helped them raise awareness of their organisation and give thanks to their supporters, which are incredibly important to their operations.

"All Things Equal is extremely grateful to Officeworks for supporting our not-for-profit through their print initiative. We are humbled that Officeworks understands the importance of what we do,"

Bianca Stern, General Manager, All Things Equal.

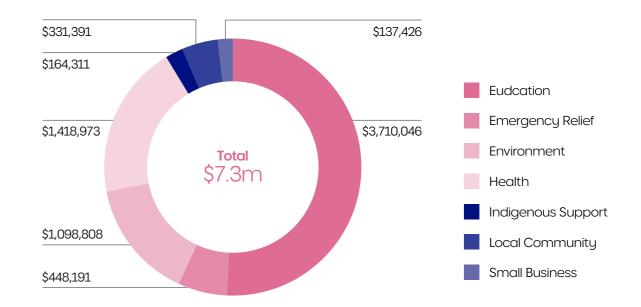
Our team is dedicated to supporting our communities in ways that are right, relevant and meet their unique needs. With safety at the forefront, store teams across Sydney came together to create hygiene packs for over 600 small local businesses during COVID-19. The packs included sanitiser and face masks to promote hygiene during one of the most challenging times for small businesses, with ongoing disruptions and restrictions during the pandemic.

#### Focus for FY2023

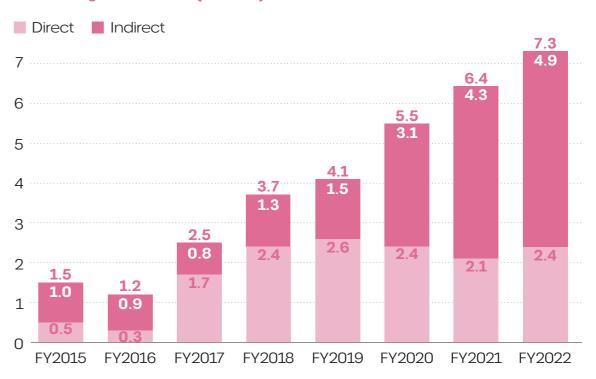
We will adapt our strategies to learn more about our local small business communities, identify gaps and provide support in the way of products, services, and upskilling opportunities to support them to start, run, grow and thrive in the years ahead.



#### FY2022 Community Investment Register Wesfarmers



#### Community contributions (\$ million)\*



Source: Envizi



<sup>\*</sup>Direct contributions are donations made directly from Officeworks in the form of cash or physical product donations. Indirect contributions are donations made by third parties including customer donations, or team member donations through our national appeals and initiatives.





# Human Rights



We're committed to upholding and respecting human rights within our own operations, throughout our supply chain, and those of our customers

### Commitment 7:

# Enable positive change for 15,000 workers in our supply chain

#### What's the issue?

We sell thousands of products which come from all around the world and have been created by many different people along the way. Supply chains are complex, with products or components often manufactured in countries where laws designed to protect workers' rights are not sufficient or adequately enforced.

#### What are we doing?

Our approach is guided by the UN Guiding Principles on Business and Human Rights (UNGPs), which highlight that all businesses, including Officeworks, have a responsibility to uphold and respect human rights. We believe that all workers throughout our supply chain have a right to operate in a safe environment of their choosing, and that taking care of employees is better for people, and the businesses they work for.

During the year, we continued to complement our risk-based, audit-centric approach with an outcome-focused program aimed at improving worker wellbeing and engagement within our direct supply chain. This is in recognition that ethical sourcing audits alone may not provide the full picture of working conditions and employee concerns.

Officeworks' worker survey program allows us to continuously engage with workers to identify concerns, that might not have been captured during audits, and to work with factory management to take appropriate action to embed positive change for workers. The surveys capture worker sentiment across five areas including grievance mechanisims, wages and working hours, workplace wellbeing, environment, health & safety, and productivity and stability. Following a successful pilot program in the 2021 financial year, we have continued to roll out our worker survey program across four new factories in FY22.

During the first round of worker surveys, a total of 1,258 workers across the four factories shared their concerns, which included lack of trust in internal grievance channels, lack of understanding of how wages are calculated, unequal treatment of workers based on their gender and dissatisfaction over working hours. Using this information, Officeworks collaborated with factory management to implement appropriate actions to address worker concerns and improve overall working conditions. This involved additional worker training and investing in resources, including new machinery and staff, to reduce working hours. In addition, a cost-of-living comparison was conducted by factory management to ensure the wages offered to employees are sufficient to cover basic living needs.

Six months after the first round of surveys, we conducted follow-up surveys to understand worker sentiment at three of these sites. We were able to increase the overall response rate across these sites from about 30 per cent to just over 50 per cent. It was pleasing to see that worker sentiment improved across all survey areas, with the biggest improvements relating to wages and working hours. After comparing the changes in survey scores, a 17 per cent improvement in worker satisfaction was achieved, enabling positive change for the 2,269 workers at those factories.

After two years of working collaboratively with our suppliers, we have gathered valuable program insights into the outcomes of this work, enabling us to become more sophisticated in our approach to identifying and remediating risks within the supply chain.

#### Focus for FY2023

We will continue to expand our worker voice program and support our partners to realise the benefits of taking meaningful action on direct worker feedback as it we work towards our goal of enabling positive change for 15,000 workers in our supply chain by 2025.



#### Commitment 8:

# Work towards eradicating modern slavery

#### What's the issue?

Globally, it is estimated there are currently 40 million people trapped in modern slavery. The Australian Department of Home Affairs defines modern slavery as situations where coercion, threats or deception are used to exploit people and undermine their freedom. Examples of common modern slavery practices today include servitude, forced labour, forced marriage, the worst forms of child labour, debt bondage, deceptive recruiting for labour or services and human trafficking. In today's highly globalised world where supply chains are long and complex, modern slavery presents a serious issue that all businesses need to work together to unite against and eradicate.

#### What are we doing?

Since 2016, and in conjunction with Wesfarmers, we have released an annual modern slavery statement. The statement summarises the steps taken by Officeworks, and Wesfarmers more broadly, to identify and mitigate the risk of modern slavery in our operations and supply chains.

Officeworks seeks to work with our suppliers and non-government organisations to remediate and scale impact and promote a co-ordinated approach to tackling complex modern slavery issues.

All suppliers of goods and services must adhere to Officeworks' Ethical Sourcing & Modern Slavery policy, which outlines the minimum standards required to work with Officeworks. To date, we have mapped over 28,000 products to the primary site of manufacturing, with 1,026 manufacturers involved in our ethical sourcing audit program.

We recognise that Australia is not immune to issues relating to worker exploitation, and we take steps to identify and mitigate modern slavery risks in the services we procure within Australia. This includes using a self-assessment questionnaire to assess modern slavery risk and corresponding corrective actions, which selected service providers are required to complete. From this, Officeworks may require audits to take place for some of these providers. Known at-risk occupations extend beyond factory workers and include cleaners. In addition, we continue to work with the Cleaning Accountability Framework to develop a framework suitable for the retail industry to help improve the working conditions within the Australian cleaning industry.

#### Focus for FY2023

We will continue to review and enhance our modern slavery program to ensure it addresses any emerging risks, with the aim of further increasing transparency throughout our supply chain as well as collaborating with other organisations to support the eradication of modern slavery.



#### Commitment 9:

# We will use data responsibly and ethically

#### What's the issue?

In the last financial year, ongoing COVID-19 restrictions resulted in an increasing reliance on shopping, education, work and social interaction occurring online. With this has come an increase in personal information being disclosed, collected and and the way it is appropriately used and stored is important. In the context of data, upholding the right to privacy is a fundamental human right.

#### What are we doing?

Balancing the demands of what customers expect from their shopping experience and protecting their data privacy is a delicate act. We are committed to using data responsibly and ethically in line with customer expectations and we continue to strengthen and manage our data governance in line with this commitment. Technology and legislation in this space is constantly evolving, and a data

governance framework has been developed to adapt to this changing landscape so that consent management principles can be applied in each area that we collect data and use customer information. These principles further reinforce our commitment to provide a compliant, transparent, and mutually beneficial model for obtaining consent to use, manage and disclose customer information.

#### Focus for FY2023

We will continue to adapt and respond to the evolving nature of data management and put in place appropriate governance approaches to ensure we stay informed of such challenges and continue to enhance our approach. We will be focusing on how we can increase transparency with our customers, maintain our high standards of data security and continue to use the data that we do have in an ethical and responsible way.





# Our Supply Chain

Our Ethical Sourcing Program is underpinned by the Ethical Sourcing & Modern Slavery Policy, which is designed to protect and uphold workers' rights across goods and services supply chains.

### Total scope of ethical sourcing program:

**28,166** of products mapped to the site of manufacturing

**7,205** total number of own-brand products

**205** total number of own-brand manufacturing sites

**1,062** total number of tier 1 manufacturing sites in ethical sourcing program, including goods not for resale

Own brand product categories



Furniture



Technology



Catering & cleaning



Office Supplies

#### **Ethical sourcing audit program** Our aim through the audit program is to work with suppliers to remediate non-conformances so that factories can achieve a 'green' rating which provides a two-year factory approval before requiring another audit. This baseline enables us to consider initiatives beyond audits, such as worker voice surveys **● 1 613** UK $0.41\% \, \neg_{\Gamma} 0.23\%$ 9.36% 1 618 France **1 6 315** 18.37% **3 3 242** Italy 68.16% **2** (%) 154 India **202 22** 802 Vietnam Endorsed brands (2 years approval) Green rated sites (2 years approval) Yellow rated sites (1 year approval) **Australia New Zealand** Orange rated sites (6 months conditionally approved) Critical compliance sites (3 months conditionally approved with remediation plan) Number of sites Number of workers per site avg. Source: Officeworks Responsible Sourcing Dashboard. Compliance ratings based on purchases of goods for resale during the year Note: This data is reflective of Officeworks' own-brand product supply chain.

W







Planet



#### o W

# Expanding our approach to emissions & waste

We recognise the important role we play in demonstrating action, advocating for change, and driving collaboration throughout our supply chain and across the retail industry more broadly.

Sustainability leadership is an essential ingredient to accelerate the transition to a net-zero, circular economy.

Our stakeholders, including team members, customers, shareholders and communities, expect businesses to take action that addresses complex issues such as climate change and resource usage. Our approach to reducing emissions and adopting more circular business practices considers aspects within our direct control, such as the electricity we use and waste we generate, to those outside our direct control, such as the choices our suppliers make in sourcing and designing new products, or which products our customers choose to buy.

Since 2015, we have made significant progress in reducing our direct emissions, with a 36.8 per cent reduction, as we work towards 100 per cent renewable energy by 2025 and net-zero emissions by 2030. This has been achieved through continued investment in energy efficiency initiatives to reduce our energy consumption in the first instance, and by increasing the amount of renewable energy we use. Similarly, we have reduced the volume of operational waste we send to landfill from 2,500 tonnes in 2017 to 600 tonnes in 2022. The progress made in reducing our direct emissions and waste impacts allows us to influence outcomes outside of our direct control.

From a supply chain perspective, we have continued to work with our local and international suppliers on designing more sustainable products and packaging. We have increased the range of Greener Choices products to 2,400, and have reduced the reliance on plastic, removing the annual equivalent of

37 million pieces. We have continued to analyse the carbon emissions associated with how products are designed, produced and used, in order to identify lower carbon solutions.

With regards to our customers, we continued to plant two trees for every one used across more than 10,000 paper products. This has resulted in a further 243,000 trees being planted as part of Restoring Australia. We further invested in raising awareness of our Bring it Back in-store recycling program, collecting a record 1,700 tonnes from our customers, and launching a national pens and marker recycling programs for schools. Our expanded range of Greener Choices continued to resonate well with customers, as we increase our marketing of these products to raise awareness of the benefits of shopping greener.

Finally, from an industry perspective, in November 2021 we partnered with IKEA, Kmart and Target, along with the Australian Retailers Association, to launch the United Nations backed Race to Zero, encouraging the retail sector to adopt targets and practices that support net-zero. We collaborated with our peers Kmart, Target and Bunnings, to reach a long-term clean energy agreement in Queensland with CleanCo. And we invested in a 21 per cent stake in Brisbane-based social enterprise, The World's Biggest Garage Sale, to help scale repair, repurpose and resale solutions for the Australian retail industry.

In FY2023, we will continue to collaborate with our suppliers and peers, and support our customers to take more sustainable actions, as we work towards delivering our 2025 commitments and further supporting the transition to a net-zero circular economy.







## Climate Action





We're committed to taking meaningful climate action in our direct operations, throughout our supply chain and by helping our customers do the same

#### Commitment 10:

# Use 100 per cent renewable energy by 2025

#### What's the issue?

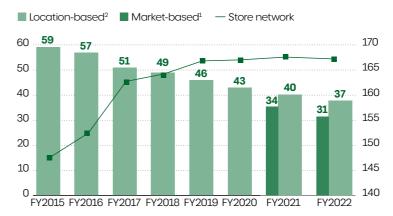
The impacts caused by climate change continue to be experienced around the world at an alarming rate. To avoid the worst impacts of climate change, science indicates we need to limit global warming this century to well below 2 degrees Celsius, and preferably below 1.5 degrees Celsius compared to pre-industrial levels. Globally, this means we need to achieve net-zero emissions by 2050. This will require the collective efforts of individuals, businesses, governments, and communities to achieve this.

#### What are we doing?

We are working towards our goal to use 100 per cent renewable energy by 2025, as part of our roadmap to achieve net-zero emissions by 2030. This year we reduced our emissions by a further 10.4 per cent in market-based emissions, and 36.8 per cent reduction in location based emissions since 2015. Our approach is to use less energy in the first instance by investing in energy efficiency initiatives, secondly by generating clean energy on site through the installation of onsite solar power systems, and thirdly by procuring the balance of our electricity needs from large scale wind and solar farms.

To further improve energy efficiency, this year we installed 20,000 new LED lighting fixtures across all stores in New South Wales and Victoria. The installation included an upgrade

#### Greenhouse gas emissions\*



<sup>1</sup>Emissions based on GHG Protocol Scope 2 market-based reporting standard.

<sup>2</sup>Scope 1 and 2 data includes emissions for businesses where we have operational control under the NGER Act.

\*Figures in thousand tonnes CO<sub>2</sub>e: '000

of existing LED store lighting, along with the replacement of non-LED lights in areas such as receiving exterior lighting. Additionally, we implemented a data and analytics software platform to better monitor and manage store energy usage by connecting building energy management systems (BEMS) which are installed at most Officeworks sites.

We continued with the rollout of onsite solar power systems across our network, with a further seven systems installed, including at our new Victorian Customer Fulfilment Centre. Data from these installations demonstrates that the solar energy systems have, on average, reduced electricity consumption needed from the grid by over 33 per cent.

As part of our approach to procure clean energy, this year we established our first long-term agreement with a clean energy provider. In collaboration with Bunnings, Kmart and Target, the agreement will see our Queensland sites having the balance of their renewable electricity provided by CleanCo, a Queensland Government-owned renewable energy company, from 2025, generated at large-scale wind and solar farms.

#### Focus for FY2023

We will explore further energy efficiency opportunities, including upgrading and replacing LED lighting in other states and territories, whilst continuing to install onsite solar power systems and identify future long-term clean energy agreements as we work towards 100 per cent renewable energy by 2025.

This year we reduced our emissions by a further

10.4%

# Plant two million trees on behalf of our customers

#### What's the issue?

Trees play a key role in capturing and storing greenhouse gases, providing crucial habitat for native species, helping maintain freshwater reserves and limiting soil erosion. Unfortunately, some regions in Australia have lost up to 85 per cent of the natural landscape, contributing to the increased number of threatened species due to habitat loss. Tree-clearing also contributes to soil erosion and can contribute to drought by reducing the amount of local rainfall.

#### What are we doing?

We recognise that regenerating Australian landscapes is an important issue that our team and customers care strongly about. Through large-scale tree planting and land restoration projects, the impacts caused by tree loss can be reversed over time, creating habitat that protects threatened or endangered species, and wildlife corridors that help native wildlife flourish. At the same time, this supports local landholders to improve their land and the communities in which they live.

Through our Restoring Australia initiative, we are committed to planting two trees for every one used, based on the weight of paper products purchased by our customers. This year we celebrated the planting of our one millionth tree since the program launched in 2017, with a total of 1,237,975 trees planted and 1,800 hectares of land across Australia restored. Once these trees reach maturity, the carbon emissions captured is the equivalent of taking 206,987 cars of the road for a year.

We have continued to work with our planting partner, Greening Australia, who are responsible for identifying and preparing our Restoring Australia sites, supplying the seeds and seedlings, completing the planting, and monitoring the sites to ensure the survival of the trees until they are established. Our program now has 19 planting sites across Australia, providing habitats for 17 threatened or endangered species, including the Glossy Black-Cockatoo in South Australia and the Australian Painted Snipe in Queensland. A new planting site added in the Strzelecki Ranges (VIC) will

provide refuge in years to come for many locally threatened species including the Strzelecki Koala and the nationally threatened Greater Glider.

#### Focus for FY2023

We expect to plant a further 240,000 trees across Australia. We will provide our team members with more opportunities to participate in tree planting events across the country and continue to help our customers shop sustainably at Officeworks, by encouraging them to purchase their paper products with us. In doing so, helping restore Australian landscapes through our Restoring Australia initiative.







#### Commitment 12:

# Reduce emissions in our supply chain

#### What's the issue?

The way businesses and organisations contribute to global greenhouse gas emissions vary, from activities they undertake directly, to more indirect activities that may occur throughout their value chain. International standards categorise activities into three groups, known as 'Scopes'. This helps to provide a consistent way to measure, monitor and reduce greenhouse gas emissions. Those activities which occur throughout the supply chain, such as the raw materials used, the way goods are manufactured and transported, and the way they are used, are called Scope 3 emissions. For a retailer, these emissions are often much more significant than those caused from activities within their direct control.

#### What are we doing?

We are committed to reducing our Scope 3 emissions by identifying opportunities and taking actions that have positive outcomes.

To help identify opportunities, we have continued to enhance the data and analysis associated with Scope 3 emissions since we first reported these in 2020. For the 2021-22 financial year, our Scope 3 emissions were the equivalent of 2.45 million tonnes of carbon dioxide. This represents an increase of 15.2 per cent on the prior year, largely driven by an

increase in the volume of products we sold and the inclusion of additional activities, such as employee commuting, which were not previously reported. Approximately 71 per cent of our Scope 3 emissions are categorised as 'purchased goods and services', which relates to the way products are designed and made. Working collaboratively throughout our supply chain to reduce these emissions is a key opportunity.

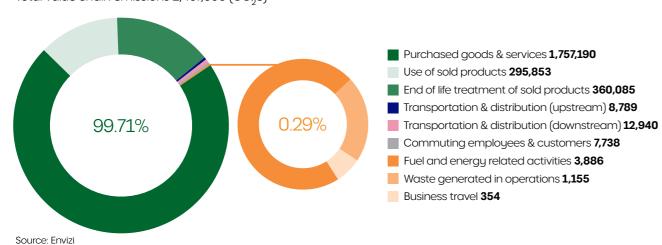
As part of our People and Planet Positive 2025 plan, a number of initiatives are contributing to reducing our Scope 3 emissions. This includes by providing a wider range of Greener Choices, that are designed and made from more sustainable materials, by collecting unwanted products from customers through our Bring it Back program to avoid these items being sent to landfill, and through tree planting and land restoration as part of our Restoring Australia initiative. In addition, many of our international suppliers have already established their own emission reduction strategies, which collectively will contribute to the overall reduction of emissions.

#### Focus for FY2023

We will continue to enhance our data and use insights to inform priorities, with the aim of establishing a long-term Scope 3 target in the near term. We will also continue to leverage our existing initiatives to reduce emissions in our supply chain.

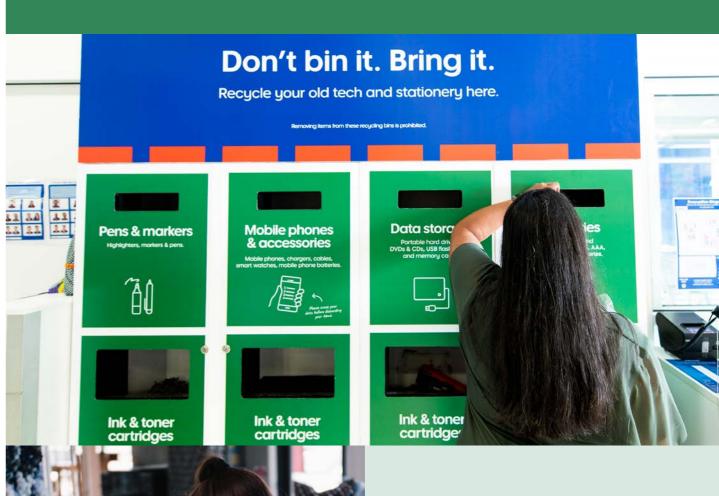
#### FY2022 Scope 3 emissions profile - Tonnes of carbon dioxide equivalent (CO<sub>e</sub>e)

Total value chain emissions 2,457,990 (CO<sub>2</sub>e)





# Circular Economy



We're committed to contributing to a more circular economy, by designing out waste, keeping materials in use for longer and regenerating natural eco-systems



#### Commitment 13:

# Become a zero waste business

#### What's the issue?

Globally, the volume of waste generated that is sent to landfill is unsustainable, emitting toxic greenhouse gases that contribute to climate change, leaving valuable resources unused and creating unnecessary costs. The solution to this problem is at the core of the circular economy, the principals of which are to design out waste, keep materials in use for longer at their highest value, and regenerate natural systems. By rethinking how we design, make, use and dispose of materials, businesses, communities and households can make better use of the resources we have and reduce waste in the process.

#### What are we doing?

We have a disciplined approach to waste management that focuses on the priorities within the waste hierarchy – that is, avoid, reduce, reuse, repair and recycle, with landfill as the least preferred option. In 2017 we renewed our focus on reducing waste and maximising recycling, which resulted in a reduction of the waste we send to landfill from 2,500 tonnes in FY2017 to 600 tonnes in FY2022, lifting our recycling rates from 63 per cent to 88 per cent over that period.

As we work to become a zero-waste business by designing out waste, this year we achieved a reduction in total waste generation by 6.8 per cent, despite growing as a business. Whilst recycling rates of 90 per cent across our store network were achieved for the year, our total results declined slightly to 88 per cent due to increased volumes of waste generated at our customer fulfilment centres, including additional waste generated as a result of relocating our Victorian Customer Fulfilment Centre, along with stock and fixture damages caused by the floods in NSW and Queensland.

During the year, we further leveraged initiatives established in previous years. This includes our centralised polystyrene recycling program, in which 14,508 kilograms of polystyrene was diverted from landfill to be recycled, our regional metal recycling collection program to collect used and damaged fixtures from stores, resulted in 56 tonnes being

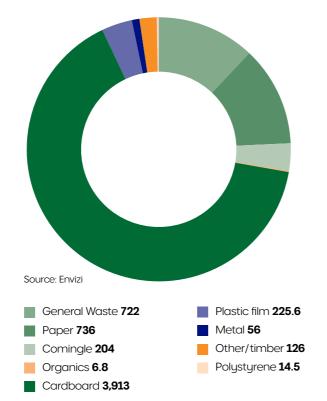
recycled, and investing in the World's Biggest Garage Sale to support national expansion as a way to repair and reuse damaged furniture. Initiatives such as the launch of digital receipts to avoid the need to print paper receipts is another example of designing out both waste, and cost.

#### Focus for FY2023

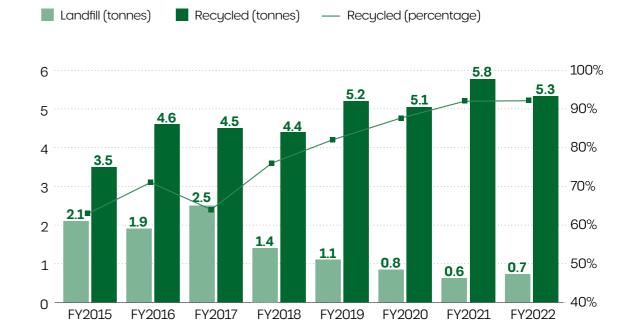
We will continue to empower our teams to identify waste reduction opportunities and innovative solutions to address problematic waste streams. We will implement additional resource recovery services, such as organic composting, to support teams across the business further reduce their landfill. And through our investment in The World's Biggest Garage Sale, we will expand our furniture repair and repurpose program to more stores and regions across Australia.

#### FY2022 Waste generation mix (tonnes)

Total waste generation mix 6,002 t



#### Waste & recycling (tonnes)



Source: Envizi





# Repair, repurpose or recycle 17,000 tonnes of unwanted products

#### What's the issue?

The way we currently dispose of unwanted and used items, by throwing them away as waste, is a linear process that contributes to environmental issues like climate change and biodiversity loss. But by keeping products in use for longer, by repairing or repurposing them, or capturing the materials to be used again through recycling, we can reduce these impacts and transition to a more circular economy.

#### What are we doing?

We know that Australians are increasingly looking for ways to dispose responsibly of unwanted goods, including e-waste, which is one of the fastest growing waste streams. As a large retailer of technology products, we launched our Bring it Back program in 2015 as an easy way for customers to recycle their computers, laptops, printers, ink cartridges, and other computer accessories for free. Our program has since expanded to collect a wider range of items including batteries, pens and markers, digital storage and mobile phones and accessories. Since 2015, the program has diverted a total of 7,415 tonnes of resources from landfill.

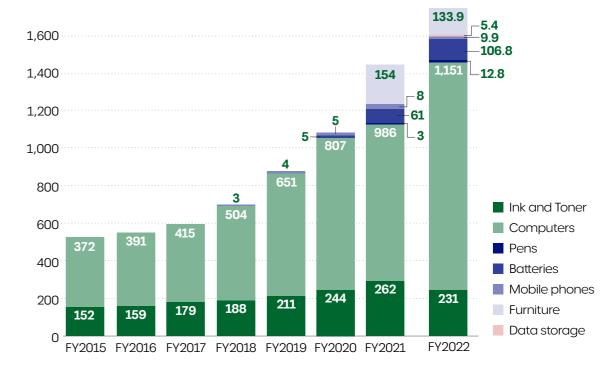
During the year, a total of more than 1,650 tonnes of unwanted products were collected from customers to be recycled, an increase of 12 per cent on the prior year, despite collections being disrupted by store closures as a result of COVID-19 restrictions. This figure includes collecting the equivalent of 4.1 million AA batteries through our national battery recycling service, an increase from 2.5 million units in the prior year. As a way to make it easier to recycle pens and markers, we expanded the collection points beyond our stores and into schools across Australia. Supported by our community teams across the country, 273 schools were supplied with collection boxes and educational resources to encourage students to collect and recycle their used pens, markers and textas. As a result, combined with our instore collections, during the year we collected the equivalent of 1.3 million units of writing instruments to be diverted from landfill for recycling.

Whilst recycling is important, repairing items helps to keep products and materials at their highest value for longer. As we increase our focus on building repair capability, this year we invested in a 21 per cent stake in Brisbane-based social enterprise, The World's Biggest Garage Sale (WBGS). Since establishing our partnership in 2019, the WBGS has collected, repaired, repurposed and resold 289 tonnes of imperfect or damaged furniture from our Queensland stores. Through our investment, we aim to expand the program into a national product recovery and repair network under a new brand called Circonomy, enabling us to repair and refurbish a greater amount of furniture and other items.

#### Focus for FY2023

We will continue to raise awareness of our Bring it Back service program, encouraging more Australians to recycle eligible products at their nearest Officeworks, and by further expanding our school pen and marker recycling program progressively. We will work closely with Circonomy to launch the program into other states, repairing a greater volume of items as we work towards our 2025 goal.

#### FY2022 type of e-waste and stationery collected (tonnes)



Source: Customer Recycling Dashboard

### Bring it Back

Giving old tech and stationery new life

- √ Computers and laptops
- √ Monitors
- √ Keyboards
- ✓ Printers
- ✓ Mice
- √ Hard drives

- √ Mobile phones and accessories
- √ Cables and chargers
- √ Ink and toner cartridges
- √ DVDs and CDs
- √ Batteries
- √ Pens and markers





# All packaging to be reusable or recyclable

#### What's the issue?

Packaging plays an important role in protecting and transporting the products we buy. This includes the primary packaging that products are purchased in, the secondary packaging that accommodates deliveries, such as the boxes used for online shopping or store deliveries, and tertiary packaging that supports the distribution of goods from manufacturers to warehouses, such as timber pallets. Combined, the volume of materials and resources used across all packaging types is significant, and if not designed or disposed of sustainably, often ends up in landfill.

#### What are we doing?

We've been working towards more sustainable packaging of our products for a number of years, which included developing the Australasian Recycling Label in partnership with Planet Ark in 2016. Our Sustainable Packaging Policy outlines the expectations and guidelines for our suppliers to reduce environmental impacts caused by product packaging, including requiring them to deliver goods to Officeworks on reusable pallets.

During the year, we continued to focus on ensuring the packaging of our own-brand products was fully recyclable and are pleased that of the 7,100 ownbrand products, 99.8 per cent of products have achieved that goal. In addition, by improving and simplifying the design of our own-brand product packaging, the annual equivalent of 4.7 million pieces of packaging components were eliminated, making it easier for customers to recycle their packaging by dealing with fewer materials and components.

Leveraging the experience gained through our own approach to sustainable packaging, including the successful removal of expanded polystyrene from all own-brand products in 2020, we increased our focus with local suppliers of the approximately 3,000 branded products we sell. This included collaborating with suppliers to develop roadmaps to phase out polystyrene, knowledge sharing to accelerate progress, and education programs to support the uptake of more sustainable materials. By working with our suppliers, we implemented solutions to avoid the annual equivalent of 4.6 million pieces of plastic, across both primary and secondary packaging.

#### Focus for FY2023

We will continue to assess and collaborate with local suppliers to ensure their packaging is easily recyclable and eliminate unnecessary materials, including plastics. We will continue to explore options for reusable packaging solutions for store deliveries as we modernise our supply chain and identify ways to reduce secondary packaging without compromising product protection.





## Sustainable Purchases



We're committed to making it easy and affordable for our customers to shop sustainably, without compromising on quality

#### Commitment 16:

# Zero deforestation in our supply chain

#### What's the issue?

Forests are critical ecosystems for our planet, making up approximately 30 per cent of the world's land area. They provide a range of vital ecosystem services including capturing and storing climate warming greenhouse gases, purifying water, and providing valuable habitats for wildlife.

However, we are losing forests at an alarming rate, with over 8.4 million soccer fields worth of Amazon Forest being cleared between 2009-2019 alone as a result of agricultural land clearing and illegal logging.

#### What are we doing?

As a large retailer of paper and wood-based products, we have long been committed to the sustainable sourcing of wood-fibre and take a zero-tolerance approach for illegally logged timber entering our supply chain. Our approach is underpinned by our Sustainable Wood-Fibre Sourcing policy, credible third-party certification and supply chain transparency requirements to inform sourcing decisions.

To support the timber industry to transition to more sustainable forestry practices, in 2016 we established a long-term target that all our paper products would need to be FSC certified or made from 100 per cent recycled content by December 2020. A key milestone was reached in March

2019, when all copy paper sold met this criterion. During the year, we continued to transition our range of furniture products to be made from FSC certified materials, with 81 per cent of all furniture meeting these criteria as of 30 June 2022.

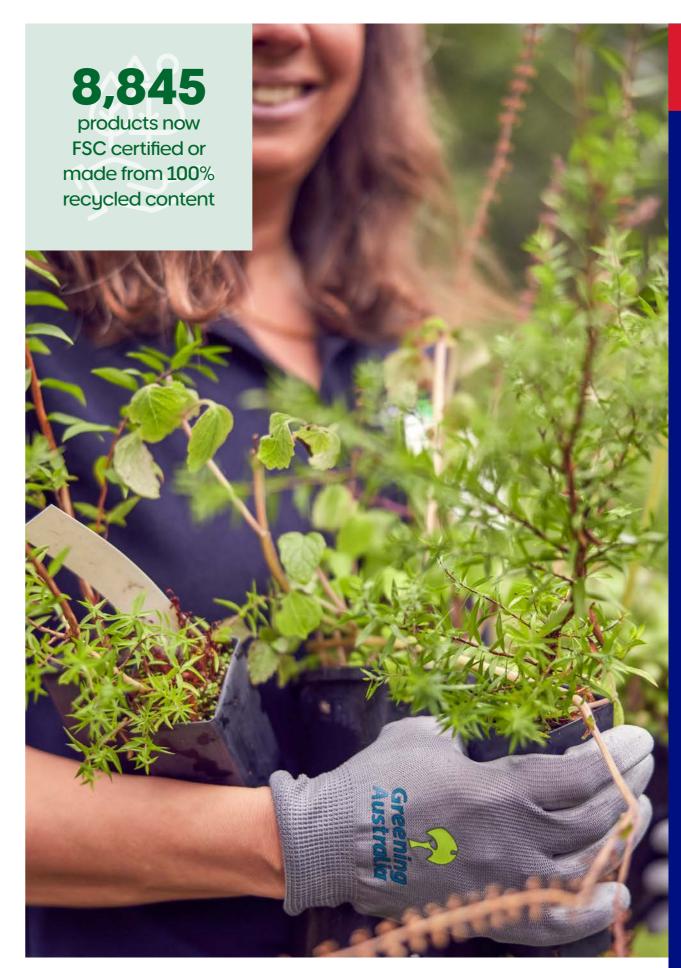
Whilst we are focused on ensuring there is zero deforestation in our supply chain, at the same time through our Restoring Australia initiative, we are committed to regenerating and restoring natural landscapes across Australia. Since launching our 2 for 1 tree planting program in 2017, we've planted a total of 1.24 million trees on behalf of our customers.

#### Focus for FY2023

We will continue to work with our local suppliers to transition more wood-based products to FSC certified materials and continue to broaden our scope as we work with suppliers to enhance the sustainability of paper and cardboard used in product packaging.



"The Forest Stewardship Council provides an internationally recognised global certification scheme, ensuring that forests are managed responsibly. By choosing products with the FSC logo, customers can be sure that the materials have been sourced sustainably."





#### Commitment 17:

### Provide a wider range of Greener Choices

#### What's the issue?

Collectively, we purchase and consume significant volumes of products that take valuable, often finite resources to produce. At the same time, we know that Australians want to make more sustainable choices when they shop. Fortunately, there are an increasing number of sustainable alternatives that are better for people and the planet.

#### What are we doing?

After conducting customer research in 2019, it was evident that the majority of customers wanted to make more sustainable choices, including the way they shopped. However, they told us it needed to be easy to find the products, and they needed to be affordable and of comparable quality. Taking this feedback onboard, in November 2020, we launched our Greener Choices range of products.

With 2,400 products now available, during the year we further expanded the range by introducing new products across stationery and technology

categories. Examples include the range of Our Pure Planet tech accessories, such as speakers, that are designed with materials like bamboo, and are 100 per cent carbon neutral. Customers can identify Greener Choices products by the People and Planet Positive logo, found online and increasingly in store.

Customers continue to respond favourably to our range of Greener Choices, with sales of the range achieving the strongest sales growth of any product range during the year. To qualify as a Greener Choice product, suppliers are required to provide appropriate evidence that can adequately demonstrate validity of the claim, including chain of custody information and documentation.

#### Focus for FY2023

We will continue to source and design more sustainable products that are better for people and the planet and make it easier for customers to locate these products when shopping instore or online.



#### The products found in our Greener Choices range fit into one or more of the following categories:



RECYCLED

Products are created using recycled materials such as paper or plastic sources, ensuring that resources can be better used and stay in the economy for longer. Products include copy paper, notebooks and pens.



Products are made by giving old plastic a new life in the form of fabric, and in turn reducing waste. Products have been reborn as laptop bags and pencil cases.



Products primarily created from bamboo, a fast-growing renewable resource. Products include desk-accessories and a growing range of technology accessories.



Products primarily created from wooden materials, a renewable material that is sustainably sourced. This includes kids' educational toys, games and even writing instruments like wooden highlighters, a great alternative to plastic.



Products formulated with no nasties, only natural ingredients that won't be harmful to humans or animals. Here customers can shop items such as cleaning supplies.



Products can be put in your home compost set up or sent to an industrial compost facility where they will break down quickly and won't produce any toxic material.



Products designed by a local partner with a focus on giving back to the community. This includes our range of Cultural Choice Indigenous office supplies, in which proceeds contribute to the prevention of Aboriginal Youth Suicide programs.



Products free from plastic using plant-based materials or organic materials only. Products include paper-based packaging filler and plastic-free glitter.



Products to help you reduce your household or business waste. This includes products such as reusable drink bottles and recycling bins.



Products can be used more than once, removing the need to purchase multiple items, and helping to reduce landfill. Here, you can find refillable pens and their refills.



Products that are free from any animal ingredients in categories that typically rely on animal products or animal by-products.



Products where the carbon emissions caused from the raw materials or manufacturing processes have been offset by actions that sequester carbon, such as tree planting.



# Phase out problematic plastics

#### What's the issue?

In many products, plastic is seen a useful material as it is low cost and long lasting. However, some types of plastic present significant problems to the environment as they are unable to be recycled and may never break down, contributing to environmental issues on land and in our waterways.

#### What are we doing?

We have defined problematic plastics in the broadest sense to include;

- Plastic that is difficult to recycle or causes significant environmental issues, such as PVC, expanded polystyrene or micro-plastics
- Single use plastic, such as items designed or intended to be discarded after a single use, like plastic cutlery
- Plastic that is deemed as unnecessary, which is particularly apparent in secondary packaging materials

Following our initial focus on addressing problematic plastics in our own-brand products, such as removing

expanded polystyrene and PVC from our private label product packaging in financial year 2021, we will be working more closely with local suppliers to encourage similar actions. Through these changes we aim to make the experience better for our customers by removing problematic materials that can be difficult to responsibly dispose of at home.

In July 2021, we removed all single use catering supplies from sale across Australia, replacing these products with sustainable and affordable alternatives. As a result, 32 million pieces of plastic will be avoided each year, equating to 200,000kgs of plastic. In June 2022, we began the removal of cotton buds with plastic sticks from sale. In addition, we are continuing to transition our ownbrand products currently made form virgin-plastic, such as binders, to being made from recycled-plastic, to reduce the reliance on new plastics.

#### Focus for FY2023

We will continue to remove problematic plastics in both products and packaging, by working with all suppliers to design and implement more sustainable alternatives that are easier to recycle and safer to use.



# Looking ahead, together



#### Our priorities for the year ahead include;

- Delivering on our People & Planet Positive 2025 commitments
- Integrating sustainability into business-as-usual practices
- · Sharing our ambition and bringing others along with us
- Elevating diversity internally and within our communities
- Expanding our approach to waste and emissions



# Sharing our ambition and bringing others along with us

We have the opportunity to strengthen communication of our People and Planet ambitions to influence stakeholders, including suppliers, partners and customers, to support behavioural change.

Globally, we are faced with pressing social and environmental challenges, which require leadership and action from all sectors – including within the retail industry. As we progress our 2025 commitments, our goal is to inspire our team, customers, suppliers and communities to make more sustainable choices.

A common theme underpinning our progress and efforts to address sustainability issues, has been to regularly listen to our stakeholders. This research has helped inform our priorities, and collectively shape the initiatives and solutions we have implemented.

This includes our research undertaken in March 2021 into customer attitudes towards sustainability, which demonstrated that the majority of customers want to make more sustainable choices. Our role is to make it easy and affordable without compromising quality. This research also showed that our sustainability initiatives and commitments are well aligned with customer expectations and provide a meaningful and unique way to help Australians live more sustainably. However, whilst our initiatives are well-understood within Officeworks, there remains an opportunity to promote them more widely to generate even greater positive behavioural change.

During the year, we focused on increasing the awareness of our initiatives to our customers. Highlights included;

 Contributing a record \$7.3 million towards communities across Australia, including supporting over 14,000 students throughout the year thanks to the generosity of our team members and customers who donated generously during our valued fundraising appeals.

- Celebrating our 1 millionth tree planted as part of Restoring Australia, through a comprehensive marketing campaign that included a TV commercial, recognising the important role our customers play by choosing to purchase their paper products from Officeworks.
- Collecting a record number of products to be recycled through our Bring it Back instore recycling program, launching our national classroom pen and marker collection program, and raising awareness of the service at key periods during the year including at National Recycling Week.
- Increasing the range of Greener Choice products available to customers, and trialling to ways to more easily identify these products in store.
- Implementing our refreshed brand in selected Officeworks stores, which includes a greater focus on instore signage to support our People and Planet Positive initiatives.

During the year ahead, we will continue to invest in raising awareness of these programs, and the delivery of the initiatives with our national partners, as we encourage more Australians to embrace sustainable actions in their everyday life.









# **Partners**



#### **APCO**

packagingcovenant.org.au

The Australian Packaging Covenant Organisation (APCO) works in partnership with industry and government to build a system where packaging is a valuable resource within the circular economy. APCO is leading the delivery of Australia's 2025 National Packaging Targets to reduce the harmful impact of packaging on the Australian environment and to develop a sustainable pathway for packaging in Australia.



#### Converge International

convergeinternational.com.au

Converge International is our Employee Assistance Program provider that goes beyond traditional counselling services, to assisting in transforming the wellbeing of our team through their eight streams of services to address key areas in life that are known to cause concern.



#### **Forest Stewardship Council**

au.fsc.org

The Forest Stewardship Council (FSC) is a global not-for-profit organisation that sets the standards for what a responsibly managed forest is, both environmentally and socially. The trusted FSC label can be found all around the world and means that the paper or timber in a product has come from responsibly managed forests. We currently have over 7,000 products that are FSC certified.



#### **Good Environmental Choice Australia** (GECA)

geca.eco

GECA is Australia's only not-for-profit multi-sector ecolabelling program, empowering consumers to have confidence in their purchasing decisions, and trust GECA certified products to be healthier, safer, and better for the environment. We partnered with GECA this year to authentic environmental claims on selected products.



#### Greening **Australia**

greeningaustralia.org.au

We partner with environmental not-for-profit Greening Australia on our Restoring Australia initiative which is a commitment to planting two trees for every one used, based on the weight of paper-based products purchased by Officeworks customers. The program helps customers make a positive difference to the environment.



#### MobileMuster

mobilemuster.com.au

We are a proud partner of MobileMuster, a free recycling service which aims to keep old mobile phones, batteries and accessories out of landfill, and recycle them to the highest environmental standards.



#### RedCycle

redcycle.net.au

Formed in 2010, RED Group is a Melbourne-based resource recovery organisation that operates the REDCycle soft plastics recycling program, accessible to consumers by a network of store drop off points. We have partnered with RedCycle since 2018 to offer a soft plastic recycling solution in their support centres and to promote the RedCycle collection program on their own-brand products.



sedexglobal.com

Sedex is home to one of the world's largest collaborative platforms for sharing responsible sourcing data on supply chains, used by more than 50,000 members in over 150 countries. Over 1,000 of our suppliers are Sedex members



#### **Supply Nation**

supplynation.org.au

Supply Nation's vision is for a prosperous, vibrant and sustainable Indigenous business sector, working with Aboriginal and Torres Strait Islander businesses along with procurement teams from government and corporate Australia to help shape today's emerging and rapidly evolving Indigenous business sector. Officeworks has been a member since 2009.



#### **TechCollect**

techcollect.com.au

TechCollect partners with local government, retail channels and waste management organisations to facilitate the collection and recycling of electronic waste, including computers, printers and accessories. Officeworks partnered with TechCollect in 2018 to operate our Bring it Back computers and accessories recycling program, with collection locations in 140 stores.



#### The Australian Literacy and Numeracy **Foundation**

alnf.org

The Australian Literacy and Numeracy Foundation (ALNF) are one of our national partners and share a strong mutual belief that literacy is key to accessing education and employment. ALNF aim to raise language, literacy and numeracy standards in some of Australia's most marginalised communities and through our partnership we have been able to provide learning resources to Indigenous students and funding for vital programs.



#### The Clontarf **Foundation**

clontarf.org.au

We are a supporter of the Clontarf Foundation, which exists to improve the education, discipline, self-esteem, life skills and employment prospects of young Aboriginal men and, by doing so, equip them to participate more meaningfully in society. The first Academy for 25 boys opened in 2000, and the Foundation has since grown to cater for about 4,700 boys in 84 schools across Australia.



#### The Smith Family

thesmithfamily.com.au

We are proud partners of The Smith Family and share a strong mutual belief in the importance of education. We support The Smith Family through our Back to School Appeal – a national in-store and online fundraising appeal to give children who need it most the tools and resources they need to succeed in their education and break the cucle of disadvantage.



#### The World's **Biggest** Garage Sale

com.au

The World's Biggest Garage Sale's mission is to activate dormant goods for good as a way to make purposeful profit that creates a positive impact on people and the planet. Operating Australia's first circular economy  $worlds biggest garages ale. \quad \text{precinct, we partner with them to repair and repurpose imperfect furniture.}$ 

The content in this report has been assured as part of the Wesfarmers Group Sustainability Assurance process. Please visit www.wesfarmers.com.au for further details on the scope and process. This report has been printed on 100 per cent recycled paper.





We wish to acknowledge the Traditional Custodians of Country throughout Australia and the continuing connection to lands, waters and communities. We pay our respects to Elders past and present.

# Together, we're making bigger things happen for people and the planet.

officeworks.com.au



