

Connector

News and views from the co-operative.



Chair's update

A belated happy New Year to all of our Co-operative members, and I trust that everyone enjoyed a relaxing summer break with family and friends. We are fortunate to have been able to work, travel and holiday with relative freedom, despite the current 'Red Light' settings and the recent surge in Covid case numbers. What long term effect this latest version of Omicron has on the country remains to be seen, but I've got no doubt we will all continue to experience increasing pressure in the short to medium term on what I consider are the four 'P's — People, Product, Price, and Productivity.

First and foremost are people, where most businesses in the construction supply chain are already struggling to meet demand. A lack of available human capital, and the potential for infection, or the need for large numbers of staff to isolate will only place greater pressure on an already stressed product supply chain. With a further disrupted supply chain, and the continued spectre of inflation there is no question that prices will rise, and this will undoubtedly slow demand over time. Finally, what this continued disruption and pandemic restrictions mean for our productivity, and the ongoing cost to our economy in the longer term remains a real concern.

Notwithstanding the above, your NZPM co-operative continues to forge ahead following another strong financial quarter in December, and we retain a positive short to medium term outlook. Despite the current crop of challenges our people are facing, the business is performing admirably, and it's a credit to the staff who are working incredibly hard in difficult circumstances to provide the best possible service to our shareholders and customers every day.

This strong co-operative ethos was one of the core reasons that we were recently awarded the 2021 Co-operative Business New Zealand (NZ COOP) Co-operative Business of the Year Award. This prestigious award is presented to the co-operative business that makes a significant and positive impact within the co-operative community each year. The judging panel cited several reasons for NZPM receiving the award, and we're incredibly proud that our efforts and initiatives over the last few years have been recognised with this accolade.

By April we expect to receive the report and recommendations from our Business and Technology Scoping Project, and whilst we're a fair way from making any decisions at this stage, what has become abundantly clear as the project has progressed is the need to upgrade our core IT system for the future. For NZPM we are not only seeking technology and productivity improvements in the business, but we're also looking for ways we can better interact with and service our customers needs through improved processes and solutions.

Finally, later in this edition are articles from Elected Director John Leen, and from our 2021/2022 Future Governance Programme appointee Sarah Jamieson. We hope that Sarah's experiences will encourage more of our members to put their name forward when we open our 2022/2023 Future Governance Programme applications in the next few months.

Kind Regards,
John DeBernardo
NZPM Chair



A word from Rob Kidd, CEO

Firstly and before too many months rush by, I would like to wish you all a very happy New Year.

Like everyone else, we are spending a lot of time managing the business through the COVID-19 pandemic. The Ministry of Health has been telling us that Omicron is more infectious (albeit less severe) than previous variants of the COVID-19 virus. Reports out of Australia are suggesting that due to these high infection rates, they have seen anywhere up to 20% of their workforce unable to work at any given time – and this went on for 2-3 months.

If NZ incurs something similar, it could easily mean that over the next couple or so months, across the building and plumbing industry we may see 15-20% of our labour force unable to work, which in turn will put additional pressure on our already very busy industry.

While Plumbing World and Metrix have a number of contingency plans in place to help mitigate the impact of a potentially reduced workforce, like everyone else involved in the industry, we (just like you) won't be in a position to fully absorb everything such a reduction in people will cause.

If this proves the case, I ask you to please be patient with our staff — they will be doing the very best they can.

One of the best ways you can help your business if infection rates rise is to order product from Plumbing World through the pwGO App or pwGO online platforms. This will mean your staff will have a lower risk of either contracting or spreading the virus because they will be having less interaction with other people.

As previously communicated, over the past nine months, NZPM has been undertaking our Business and Technology Scoping Project. This review has focused on which technologies can enable the business to increase efficiencies, continue to grow revenues and expand on our already great service to customers.

A significant part of this will be what we do with our core computer system and corresponding customer and shareholder digital and technology offerings. We want to make it progressively easier for you to do business with us and see technology being a key component of that success. Over the next few months, we will be finalising what this will look like and we will continue to communicate with you as we progress on this journey.

As John has mentioned in his Chairman's Update, we are very excited to have won the 2021 Co-operative Business of the Year Award, presented to NZPM by Co-operative Business NZ.

Considering the profile and size of many co-operatives in NZ, e.g., Fonterra, Foodstuffs (Pak'n'Save), Farmlands, Mitre 10, Ravensdown Fertiliser, Southern Cross and many more, we should all be collectively proud that our NZPM Co-operative has been recognised as the outstanding co-operative for 2021. Please read more about our Award in the special article in this edition of Connector or on our NZPM website.

Finally, thank you for your support of NZPM, Metrix and Plumbing World (the only 100% trade-owned plumbing merchant in NZ) and we look forward to continuing to work with you to ensure your co-operative continues to be strong and resilient through the months and years to come.

Regards,
Rob Kidd
NZPM Chief Executive Officer



Director's point of view

It was February 2021 when I last commented in the Connector, and here we are, one month completed already in 2022. I hope you all had an excellent Christmas break, but I sometimes wonder whether we have our "big break" at the right time of the year? Rushing up to Christmas trying to keep all happy, co-ordinating Christmas gatherings with family, and then trying to get away from it all.

I suspect many people had a "stay-cation" this year, due to the uncertainty around what Covid was doing for the holidays, however I managed my usual pilgrimage to the Far North, with only two trips back to Wellington over the holiday period!

As Chair of the Compliance Committee, it was

pleasing to complete our 2022 committee work plan, as did all the other committees of the Board, prior to Christmas. We have a comprehensive work plan going forward, that includes an updated Co-operative Code of Ethics for the company, shareholders, directors and staff. We also have several Policies that will be reviewed over the next 12 months, including Social Responsibility, Board Charter, Diversity, Shareholder Rebate, Gifts, Crisis Management, Harassment & Data Security to name a few.

One of the major topics currently on the mind of many employers is Wellness and Mental Health. I know it is at the top of the agenda on our Health & Safety Committee meetings, and with Covid imposing lockdowns, and now the "traffic light" alert levels coming into effect, an increasing number of employees and customers are struggling at some level. It is difficult to plan any new activities, and the cancellation of many events due to these conditions will continue for a good while yet. With the arrival of the Omicron variant in our communities, it is very unlikely that these issues will go away any time soon.

As a co-operative company, we have to be cognisant of how our staff and customers are reacting to these situations, and be there to listen and help where we can. Obviously, it's a two way thing, so our customers should be aware that our business is affected as well, and our people are doing everything they can to support their needs.

All the Best
John Leen

Future Governance

Scot Pearce from Water to Waste Plumbing & Drainage receiving his completion certificate for NZPM's Future Governance Programme from Chair, John De Bernardo.



Shareholder loyalty



Bryce Frederick Taylor



Metrix update

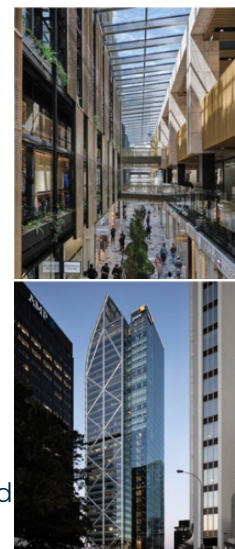
Metrix are proud to have supplied a combination of our prestigious brands into the 2021 NZ Architect Commercial Building of the Year. The Commercial Bay Tower was a collaboration of work by Warren and Mahoney, Woods Bagot and NH Architecture.

To quote the judges "design excellence is revealed in this ambitious project, which creates a transformational destination in downtown Auckland. Commercial Bay achieves a remarkable level of sophistication and design richness, this project of

epic proportions is testament to the excellence of its design team and is a precinct for Tamaki Makarau worth celebrating".

Other than our collection of superior brands, as a business our greatest asset is without doubt our people. This month Steve Price our Commercial Manager celebrates 30 years with Metrix which is an incredible commitment to our business. Steve has worked in every area of the business from the warehouse, customer services and sales through to his current role managing the commercial side of our business. Many of our shareholder plumbers will have worked with Steve on various projects over these 30 years. His knowledge of our products is vast and varied, and he has as much passion for our brands now as he has held over the years. I would like to thank Steve for his commitment and contribution to Metrix over an impressive 30 years.

Karin Cunningham
Metrix General Manager



Future Governance Programme - Sarah Jamieson

Just weeks before my interview for the NZPM Future Governance Programme my husband and I had been discussing with friends what direction I would like to take in the coming years as we aim to set our business up to require less input from me into the day-to-day operations. I said, I would really like to look at more of a governance type role within the industry, and the next week my husband came home and told me about the Future Governance Programme with NZPM, and it sounded like a great stepping-stone for where I wanted to head.

Initially I wasn't sure the timing was right, as when you are running multiple businesses and have two young children, life is rather hectic. But hey, when is the timing right for anything, and one thing I have learnt is life is short and you should take opportunities when they present themselves. So, I found myself registering with the Institute of Directors and applying for the Future Governance Programme with NZPM.

I am a qualified Associate Chartered Accountant, but I had very little background in corporate governance. During my time in the programme, we have had two digital and two face-to-face board meetings, including the strategy review day. Although digital

meetings are becoming a common thing thanks to COVID, I do prefer the face-to-face meetings as they give me greater opportunities to engage with the Directors and ask questions away from the actual board meeting. I have really enjoyed the opportunity to immerse myself in the role of a board member. I am currently completing the Governance Essentials course through the Institute of Directors, and am looking at further courses to improve my knowledge and understanding of what it takes to be a professional director.

I would really like to take this opportunity to thank the Directors and the Executive Team for making me feel so welcome, and I feel like I am a part of the board and really comfortable asking questions or throwing my two cents in here and there.

COVID is throwing us all many curveballs and it is very interesting seeing how such a big organisation is dealing with all the different aspects of business — from constantly reviewing policies and procedures, to health & safety compliance to future growth and expansion. I look forward to my remaining time in the programme.

Kind regards
Sarah Jamieson

Social Responsibility

StarLight Christmas

Plumbing World Support Office help out with donations to the Starlight Foundation, providing Christmas gifts to the Palmerston North Hospital Mental Health Unit at a time when vulnerable people can often feel very lonely. Starlight gave out 6,000 gift bags over the past year to people in need. Founder Cathy Simpson says she is grateful to the many people who donate items as well as time to pack and distribute the gifts.



NZPM | 2021 Winners of Co-operative Business of the Year

In February 2022, Co-operative Business New Zealand (NZ COOP) named NZPM Co-operative as their 2021 winner of the Co-operative Business of the Year Award. The award was presented to the Co-operative Business that made a significant and positive impact within the co-operative community during the 2020/ 2021 year (1 June 2020 – 31 May 2021). It is about celebrating the success of the co-operative business model and the winner had to clearly demonstrate the value of the model in returning benefits to members and to their local communities.

In announcing the winner, the judging panel stated that some of the key reasons NZPM won the award were: Our strong membership growth, a healthy rebate return to our shareholders, nurturing the next generation with our Young Plumbers Club and Young Plumber of the Year initiatives, securing long term supply with our Own Brands, the introduction of our Social Responsibility programme, our support of Women in the Industry and being active in the community with our fundraising efforts.



Pictured is NZPM CEO Rob Kidd and NZPM Chair John DeBernardo receiving the Award from NZCOOP CEO Roz Henry

#23 Beat the big C

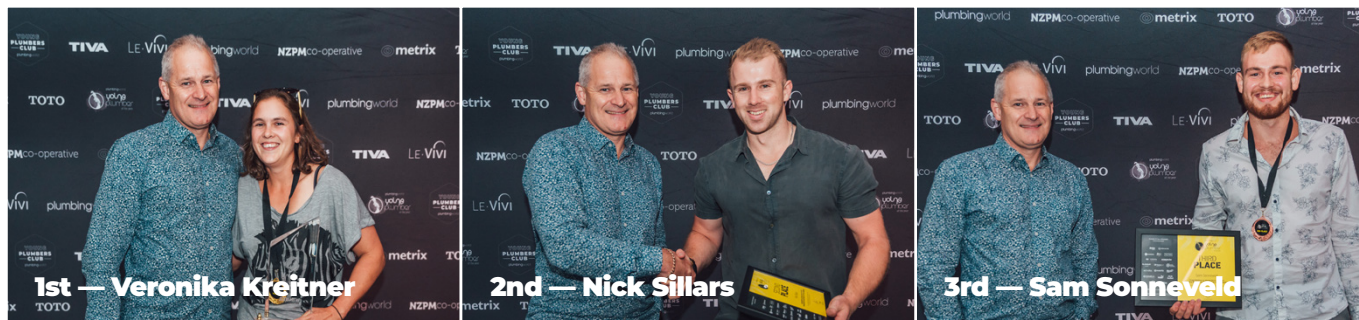
Don't wait for a reason

Some of New Zealand's most dangerous cancers are the ones we don't like to talk about. So we're lending our support to help raise awareness about prostate, bowel and gynaecological cancers.

And remember, if in doubt, get it checked out! You can find out more at plumbingworld.co.nz



YPOTY 2021 National Final



We are proud to announce our 2021 Young Plumber of the Year following the National Final which took place in Hamilton on Saturday 19th February 2022.

Veronika Kreitner, 28, a 4th year apprentice and wild card from the Southern region, employed by Guy Plumbing & Gas, Wanaka won the title of 2021 Plumbing World Young Plumber of the Year.

Held at the Claudelands Event Centre, the day started with a 45 minute theory test followed by a 3.5 hour practical skills test which saw eight Regional winners and two wild cards put their skills to the test, installing a complete bathroom setting under traffic light red conditions.

The competition was once again a chance for the industry to recognise excellence in our trades, celebrate industry training and the support of employers and suppliers that keep the wheels of the industry turning.

A huge congratulations to all ten national finalists who proudly represented their respective regions. Each had to compete against more than 450 other

young plumbers nationwide which is a significant achievement.

Runner-up was Nick Sillars, 25, from the Wellington/Marlborough region, employed by Straight Flush Plumbing Ltd. Third place went to Sam Sonneveld, 20, from Auckland, employed by Green Plumbing & Heating Ltd and most valuable plumber at the national final, George Wrenn, Plumbers HB, Lower North Island Region.

Young Plumber of the Year would not be possible without our watertight family of sponsors. The loyalty, innovation and support of our sponsors and their investment in the competition and plumbing industry is hugely appreciated.

On completion of the competition, the team were proud to meet with Habitat for Humanity central region chief operating officer Nathan Collins, to donate all of the competition plumbing product which will now be used for their home repair programme to support low income whanau with affordable repairs.

THANKS TO OUR SPONSORS



SUPPORTED BY: Bromic Ltd, Heron Plumbing Ltd, HiFlo Plumbing, Hutt Gas & Plumbing Systems Ltd, RMC, Toto and Whitehead Plumbing & Gas Ltd



NZPM's Mission

To contribute to our members' business success by representing their interests and delivering performance excellence.

Part of our NZPM Co-operative
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