
OUR
CORPORATE SOCIAL
RESPONSIBILITY

Our Progress 2023

 **Westland Milk Products**
Hokitika · New Zealand
Nourishment made beautifully

INTRODUCTION

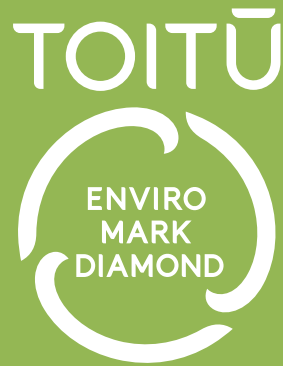
This document provides an update on Westland Milk Products' (Westland) social and environmental performance and achievements for the year ended 31 December 2023.

This Corporate Social Responsibility (CSR) report provides information on Westland's performance, excluding our subsidiaries (EasiYo, Pure Nutrition and Canary Foods).

Westland's manufacturing sites are in Hokitika and Rolleston, with administration activities and warehousing in Hornby, Christchurch.

CORE HIGHLIGHTS

Our 2023 highlights



Toitū Diamond achieved for the first time

(this is in line with ISO 14001)

Carbon emissions target updated to reflect 2022 achievements.
New target is:

25% reduction by 2025

50% reduction by 2035



Refreshed carbon reduction roadmap created to deliver updated target



146^{mt} less

waste to landfill

CORE HIGHLIGHTS



2 years of 'grow our own' leadership programme



18 staff members celebrated for their long service and contribution to Westland

Stage 1 of Hokitika floodwall completed



EcoVadis Gold

7 new tankers in milk collection fleet improving efficiency and impacts to environment


100%
of Westland suppliers involved in FarmEx










7% increase in safety reporting compared to 2022

OUR PROGRESS

2023 progress against core targets set out in our CSR Strategy:

Core targets	On track?	2023 Progress
Waste		
Reduce waste (on-site) to landfill by 35% by 2030		<p>Waste to landfill reduction is on track with 146mt less waste sent to landfill in 2023 compared to our 2020 base year. This is due to a reduction in overall waste produced and a move to compacting and baling waste in Q4.</p> <p>A focus has been placed on waste to landfill reduction across sites with a roadmap towards sustainable achievement of this target in place.</p>
Emissions		
25% reduction in scope 1 and 2 emissions on site by 2025, and 50% reduction by 2035.		<p>Target has been updated to reflect our 17% reduction in 2022. Our overall emissions increased in 2023 due to increased milk through the site (compared to 2022) resulting in increased use of energy emitting activity such as coal, transport, electricity etc. We have a roadmap in place to reduce overall scope 1 and 2 emissions, largely relating to coal usage which will see overall emissions reduce within our targeted timeline.</p>
On-Farm		
Implement 100% of Farm Environment Plans by 2025		<p>53% of suppliers have commenced or completed a Farm Environment Plan.</p> <p>With the change in government there has been less focus on Farm Environment Plans and more on Fresh Water Farm Plans. Going forward, we will continue to support farms with environment plans in line with govt. regulations. This target will be reviewed to ensure it remains relevant in December 2024.</p>

Core targets	On track?	2023 Progress
Community		
Provide at least one employee volunteer day a year for all employees by 2025		We made available the opportunity for employees to cook dinner for Ronald McDonald House residents via their Dinner Programme. Our internal Sustainability Week highlighted and celebrated volunteers across the company through a lunch and learn session.
1% of profit per annum to go directly to the West Coast through community sponsorship from 2025		In 2023, 0.3% of profit went to community sponsorship. On a rolling 3 year basis, more than 1% of profits have gone to the community through sponsorships since 2021. Westland continues to donate to a range of community groups including junior sports and schools throughout the West Coast and Ronald McDonald house in Christchurch. Westgold also specifically sponsors Garden to Table and Good Bitches Baking. Given annual movements in our profit, this target will be reviewed to ensure we continue to deliver genuine value to our community through our sponsorship.
Employee		
All employees achieving an average of 70 training hours annually by 2030		16 training hours on average per employee. 38 employees participated in level 1 of the leadership programme and 121 staff participated in year 2. In 2024, our internal leadership programme will be reviewed, enhanced and relaunched.
Implement an annual safety culture survey and improve bi-annually		Progress has been made against the 2023 Safety Culture Survey's core actions. These were: (1) a 7% increase in safety reporting across 2023 and (2) a 9% increase in hazard reporting. In addition a consolidation and standardisation of onsite height equipment was carried out, so training can be tailored to reduce risk to our people.
All employees to have a personal development plan by 2025		91% of all employees had a personal development plan in place at the end of 2023.
Carry out annual engagement survey with engagement in the top quartile by 2030		A sitewide engagement survey was completed in 2023 with 70% engagement, up from 50% in the previous year. The engagement score was 3.8 across the organisation.
Externally recognised Diversity & Inclusion measures in place by 2025		2024 will see us partner with DiversityWorks to understand our current status and create a staged approach towards our improvement action plan. Westland continues to better understand our diverse workforce and how we can continue to become more inclusive. Six cultural occasions were celebrated - Chinese New Year, Waitangi Day, Matariki, Diwali, Christmas and Yili Diversity Week.

CSR REFRESH
COMING IN 2024

We're changing how we work under our CSR Strategy

As of 1 January 2024 Westland Milk Products and its related companies in New Zealand, being Canary Foods, Easiyo, Pure Nutrition and Oceania Dairy, have been working together under one strategic plan.

During 2024, a full refresh of our Corporate Social Responsibility strategy will be completed to ensure targets and initiatives are focused and aligned across the group of companies. Reporting will begin based on a new CSR strategy and targets from 2025/26. This updated strategy will also include reference to the GRI standards (GRI 1: Foundation 2021)

APPENDICES

Reporting

Environmental reporting	2022	2023
Total weight of waste generated (tonnes)	696	350
Total weight of waste diverted from landfill (tonnes)	175	122
Total weight of hazardous waste (tonnes)	0	0
Hokitika site water consumption (000m ³)	2,343	2,491
Rolleston site water consumption (000m ³)	198	227
Scope 1 Emissions tCO ² e	95,582	104,924
Scope 2 Emissions tCO ² e	3,724	4,162
Scope 3 Emissions tCO ² e	813,327	814,769
Rolleston/Hornby sites energy consumption (000MWh)	4,460	4,854
Hokitika site energy consumption (000MWh)	45,727	51,235
% of farms involved in our FarmEx programme	100%	100%
% of targeted suppliers who have signed Code of Conduct	37%	64%
% of milk suppliers sent Code of Conduct	100%	100%
% of other vendors sent Code of Conduct	90%	90%

*Some 2022 Emissions data has been revised based on updated MfE emissions factors (We backdate if the movement is >5%).

APPENDICES

People and Quality reporting

	2022	2023
Total permanent employees	630	635
Total permanent employees	<18 = 0 <30 = 70 30-50 = 335 >50 = 225	<18 = 1 ** 30 = 78 30-50 = 321 >50 = 235
% of women employed in relation to whole organisation	29% Female (71% Male)	29% Female (71% Male)
% of women in top executive positions	14%	29%
% of employees with Health insurance (subsidised by Westland Milk Products)	78% of permanent employees	76% of permanent employees
% of employees with life and disability insurance subsidised by Westland	100%	100%
% of employees on the collective employment agreement	53%	49%
No. of union reps	18	18
% of workers from minority groups and/or vulnerable workers employed in relation to whole organisation	21% of workforce identify as a Non-New Zealander	22% of workforce identify as a Non-New Zealander
TRIFR (Total Recordable Injury Frequency Rate) per million hours***	9.07	12.53
LTIFR (Lost Time Injury Frequency Rate) per million hours***	5.58	10.32
Employee training on Health and Safety completed	255	278
Number of Health & Safety reps	29	33
Customer recalls for food safety reasons	0	0
Production covered by FSSC 22000	100% of manufacturing sites (Hokitika & Rolleston)	100% of manufacturing sites (Hokitika and Rolleston)*
Customer health and safety incidents	0	0

*Westland owned manufacturing sites (Hokitika and Rolleston) are FSSC 22000 certified. We cannot guarantee that some third party manufacturing sites (not owned by Westland) are certified.

**Has since moved to next age bracket

***Health and Safety is a big focus for 2024 under our Zero Harm strategic pillar, with a focus on TRIFR and LTIFR.



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