

# Environmental Social Governance

DISCLOSURE REPORT



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# Environmental, Social and Governance (ESG)

The Argus Group is committed to the principles of ESG as the most effective means of creating long-term enterprise value and addressing the societal priorities enshrined in the United Nations' Sustainable Development Goals.

In March 2022, we committed to commence reporting on the Environmental, Social, and Governance (ESG) disclosures of the Stakeholder Capitalism Metrics (SCM) of the World Economic Forum (WEF).

We are in the process of making ESG disclosures in the form of a set of universal, comparable ESG metrics focused on people, planet, prosperity, and principles of governance, that organisations can report on regardless of industry or region. This report represents our reporting against the 21-core metrics, which are reviewed quarterly and updated annually.

We use this universal ESG framework to align our mainstream reporting on performance against ESG indicators. By integrating ESG metrics into our governance, business strategy, and performance management process, we diligently consider all pertinent risks and opportunities in running our business. We continue to look for opportunities for further transparency on the topics which are material to our business.

To track our disclosure progress and demonstrate our sustainability performance against the WEF SCM framework, we utilise Socialsuite's ESG disclosure platform. Socialsuite ESG enables us to demonstrate our ongoing commitment to ESG by providing a dedicated solution to track, report, and share our ESG disclosures. With Socialsuite ESG, we are on the journey of building robust ESG credentials.



EcoVadis is a globally recognised assessment platform that rates businesses' sustainability based on four key categories: environmental impact, labour, and human rights standards, ethics, and procurement practices. The platform globally benchmarks companies against each other based on their demonstrable management systems that address sustainability criteria. The assessment also provides detail on how and where sustainability improvements can be made.

EcoVadis usage has grown substantially around the world in the last couple of years. For many companies EcoVadis is becoming BAU, and customers are now seeing real value and having genuine interest in our EcoVadis scores.

Argus have recently completed an assessment and been awarded a Committed Badge; and ranked as being within the top 57<sup>th</sup> percentile of the companies assessed by EcoVadis (against over 130,000 companies globally).

Last updated: 12/12/2024

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# Governance

## SETTING PURPOSE

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<b>Type:</b>	Full disclosure
<b>Status:</b>	Verified
<b>Last updated:</b>	23 Nov 2023

Argus Fire Protection's purpose statement is as follows:

"We protect the world around you - where you live, play and work. We protect your people, your businesses, your livelihoods and your property through fire protection and keeping your buildings compliant."

Argus Fire Protection exists to do the following:

- We protect against fire, and therefore we protect lives, livelihoods, and essential infrastructure.
- We deliver total fire protection solutions expertly designed to fit the needs of the world around us while ensuring complete compliance.
- We assure you that your business will run without interruption and that your family, friends, and colleagues can work, live and play safely.

## GOVERNANCE BODY COMPOSITION

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<b>Type:</b>	Full disclosure
<b>Status:</b>	Verified
<b>Last updated:</b>	12 Dec 2024

Argus is a private, family-owned business with a stable Board of Directors representing the families who own the business.

Directors' interests are disclosed and recorded internally on BoardPro.

The Board includes 2 x independent directors;

Paul Smart - Is an experienced professional director of public, co-operative and private companies. He has significant experience as CFO of start-ups through to top 10 market capitalisation companies in listed and public sectors. Specific experience in the energy, private equity, pay television, high tech, retailing, transport, tourism, minerals, forestry and building sectors in both New Zealand and internationally.

Robb Kidd - Is CEO of NZPM/Plumbing World, leading the company since 2020 (from his previous role as Plumbing World General Manager since 2011). His substantial experience spans the Building and Manufacturing industries (including with James Hardie in a number of executive roles in both New Zealand and internationally). Robb sits on a number of Boards, holding a number of positions.

The Argus Board is comprised of 6 Directors, as follows:

- Gender: Male - 5 (83%); Female - 1 (17%)
- Ethnicity Māori - 1 (17%)
- NZ European - 5 (83%)
- Age: Under 40 years - Nil; 40 years to 50 years - 1 (20%); 50 to 60 years - 1; 60 years plus - 4 (80%)

Assessments of the ESG competencies and skills and diversity of the Board are to be undertaken.

## MATERIAL ISSUES IMPACTING STAKEHOLDERS

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**Type:** Partial disclosure  
**Status:** Verified  
**Last updated:** 12 Dec 2024

Key stakeholders have been identified (both internal and external), and through internal and external focus groups, we understand what impacts Argus's decisions have on stakeholders.

### External

Argus has several processes to understand better the impacts our decisions have on our clients.

- Customer Focus Groups - On a 6-monthly basis, in each region, Argus Managing Director hosts a focus event with several clients to identify what we do well and can improve on. The results help inform our company strategy and are also passed back to our customers in the way of continued improvement in service delivery.
- Key Account Management Plans - A structured approach to managing our key clients to ensure that Argus continues to deliver a service aligned with our client's needs. This includes an Annual Contract Performance Review, a process undertaken with the client to review Argus's performance against the contract deliverables. If need be, to then adapt how we deliver service to suit the changed needs of our clients and assign action ownership (for both Argus and the client (if applicable)).

### Internal

Argus utilises several ways to ensure everyone in Argus has a voice at all levels. The way we consult with our people includes the following:

- Staff focus groups and surveys (both undertaken annually); the results help drive how and what we do to be a 'great' employer and retain and grow our people.
- Argus and Me, annual conversation with all our people (with 6monthly check in). While the purpose of this process is performance and development, it is also a mechanism for our people share and discuss challenges and what they need from Argus and/or their manager to help them be successful.
- Board meetings - Argus Board meets monthly in a different branch location. Key people from each branch are invited to meet with the Board and provide market and industry input, which helps inform the company strategy.
- Argus Shareholders - invited to one Board meeting per annum.

### Suppliers

As per Argus ISO process 502 (supplier and selection review), Argus reviews existing suppliers. This includes a review of the quality register for any items raised and discussions as part of the regular management meeting cycles (weekly, monthly, and quarterly).

### ESG and stakeholder engagement

In August 2023, Argus held 2 x workshops with our external (clients and suppliers) and internal (Argus people) stakeholders. The purpose of these workshops was to understand what was important to them to ensure the ESG strategies and actions Argus put in place, would align with what our external stakeholders were focused on/felt were important and what was also important to our people.

The outcomes from these workshops resulted in a clear direction that identified several Ambitions and Initiatives, as well as the next steps for each. This paper has informed our strategic planning for ESG, with the development of a sustainability plan.

The 3 Ambitions identified (that remain our priorities) were:

- Carbon Neutral by 2030.
- Preferred Sustainable and Ethical Supply Chain.
- A Sustainable Workforce.

Argus intend to hold these workshops with the same 2 stakeholder type groups on an annual basis to;

- Ensure our Ambitions remain aligned.
- Hold Argus to account to ensure progression.

It should be noted that the stakeholder engagement sessions were the first step identified after undertaking our Carbon Assessment over December 2022/January 2023.

To understand the progress made reading the Ambitions identified in the workshops, please refer to Sections Planet – GHG Emissions, and Skills for the Future – Training.

## ANTI-CORRUPTION PRACTICES

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**Type:** Partial disclosure  
**Status:** Verified  
**Last updated:** 17 Aug 2022

Anti-corruption training has yet to be undertaken within Argus though many of our team have received training from previous employers.

We know a global focus on bribery and corruption must be combatted collectively. We also know New Zealand has one of the top anti-corruption ratings.

While Argus does not operate overseas, we engage with international suppliers and partners and must be mindful of the 2005 United Nations Convention Against Corruption (2005 UN).

How Argus operates in New Zealand is impacted by the New Zealand anti-corruption laws, including the Crimes Act 1961 (Public Sector) and Secret Commissions Act 1910 (private sector). These Acts overlap with the 2005 UN.

Argus is ISO2001:2015 Certified as part of our ISO Manual; in our Supplier Selection and Review process, we include Conflict of interest (identify any potential pre-existing relationships with Argus Team members); this provides probity and peace of mind.

Argus Anti-theft and Fraud Policy forms part of The Argus Way Handbook handed out to every new employee. This policy aims to ensure that the Argus group of companies operates internal procedures to prevent and detect theft and fraudulent actions.

The policy includes definitions, prevention and management detail, and the process for any investigation.

The Gifts Policy also forms part of The Argus Way Handbook; to ensure all our people understand the Company's position on the giving and receiving of gifts to ensure there is no compromise from a probity perspective.

All Staff sign a declaration confirming they have read, understand, and agree to comply with The Argus Way Handbook and the documents referred to.

We are currently actively identifying the training our people will need to understand anti-corruption laws and the Acts referred to above, including the potential offences and penalties that may be applicable under these Acts.

A copy of The Argus Handbook is available on request.

### **RISK AND OPPORTUNITY OVERSIGHT INTEGRATING RISK AND OPPORTUNITY INTO BUSINESS PROCESS**

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**Type:** Partial disclosure  
**Status:** Verified  
**Last updated:** 12 Dec 2022

ESG risks and opportunities have not been specifically identified or discussed in Argus. New processes and monitoring procedures are to be developed.

Argus is ISO 9001:2015 - Quality Management System Certification. Our internal ISO System includes our Quality Registers for recording Complaints/ Compliments/Quality Improvements.

The organisation reviews ISO Quality Improvements regularly and implements the process to identify the risk or opportunity and assess the best method or system needed to improve or resolve the Quality Improvement.

Our quality improvements are business processes, business systems, risk reduction and mitigation.

### **MECHANISMS TO PROTECT ETHICAL BEHAVIOUR**

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**Type:** Full disclosure  
**Status:** Verified  
**Last updated:** 28 Nov 2024

The Protected Disclosures Act 2000 facilitates the disclosure and investigation of serious wrongdoing in an organisation and protects team members who disclose the information in accordance with the procedures set out in this Policy.

Argus have a Whistleblower Policy which was reviewed and updated in January 2024, ensuring currency against legislation. The policy sets out an internal procedure for receiving and dealing with information about serious wrongdoing in or by The Argus Group, which is intended to assist team members who believe they have discovered serious wrongdoing.

The procedure for making a protected disclosure about serious wrongdoing must be made to the Managing Director except where it is believed the Managing Director is involved; then, disclosure may be made to any Board Member.

Argus employees have all completed anti-bullying training, an externally delivered module that forms part of the company's approach to equal opportunities and enables the correct behaviours inside and outside the workplace.



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# Planet

## GHG EMISSIONS

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**Type:** Full disclosure  
**Status:** Verified  
**Last updated:** 12 Dec 2024

Argus are well underway in understanding GHG Accounting and Reporting Principles, their application to our industry, and the tools to be used to develop an effective framework that will allow it to understand, capture and record its total emissions and implement new or alternative practices that will assist it in achieving its emission reduction targets.

A number of targets have been set, with clear KPIs for performance.

ESG including GHG is now a key part of Argus Strategic planning.

Argus employed a tertiary student between December 2022 and February 2023 to undertake an analysis of Argus Group GHG emissions and produce a Strategy Launchpad paper. The student held a Masters in Climate Change Science and Policy, as well as a bachelor's degree in physics with Honours in Atmospheric Geophysics. He was studying towards his Masters of International trade.

The Launchpad paper included a number of recommendations for next steps in order to develop our decarbonisation strategy. The first steps being to hold exploratory workshops that included staff, clients and suppliers. The output from these workshops identified several ambitions, initiatives and next steps including timelines.

Argus have commenced developing our sustainability plan based on the following Ambitions and Initiatives, starting with Carbon Neutral. See below:

Ambitions	Initiatives
<b>Carbon Neutral by 2030</b>	1. Right Vehicle, Right Job
	2. Tree Planting (Environmental/Social Initiatives)
	3. Fleet Management
<b>Preferred Sustainable &amp; Ethical Supply Chain</b>	4. Policies (Supply Chain, Procurement, Sustainability, etc)
<b>Sustainable Workforce</b>	5. Influences Industry Standards
	6. Consistent Staff focussed Marketing & Communications
	7. Youth Education Partnering

As part of the December 2022 - February 2023 GHG stock take it was found a significant amount of data was unable to be located. The exercise identified this was one of the key criteria in order for us to achieve our GHG goals (measuring and understanding all of the possible areas where our asset classes are producing or contributing to our overall emissions). We are currently working with an external provider to assist with recording and measuring our emissions, starting with vehicles.

The GHG emissions by Source were estimated as follows (based on our Year Ending March 2023 projections):

Scope	tCo2)e	Percent
Scope 1	1508.9	80.58%
Scope 2	18.3	0.98%
Scope 3	345.4	18.44%
Total	1872.6	100.00%

Included in the Stakeholder Workshops Output document were a number of commitments and targets.

As Scope 1 GHG emissions equate to over 80% of Argus total emissions with vehicles being the sole source; this is Argus primary focus. Argus has committed to the target that we will have no more fossil fuel run vehicles by the end of FY26. We are currently revising our vehicle policy to reflect this, including:

- Electric or Hybrid vehicles, unless there is no alternate for the role (fit for purpose).
- Investigating alternative forms of travel, including incentives
- Right vehicle right job

While we are still to formally revise our vehicle policy there has been a focus on replacing vehicles at the end of their lease with either PHEV, EV or Hybrid models. We have recently completed a high-level analysis of our current fleet and can confirm the following Scope 1 emissions (based on Year Ending March 2025 projections):

Scope	tCO2)e
Scope 1	1275

This equates to a projected reduction in Scope 1 Emissions of 15.50% between Financial Year ending 2023 and Financial Year Ending 2025. Note: In the past 2 years Argus fleet size has increased by 9%, so the projected Scope 1 emissions reduction equates to approximately 23% per vehicle.

With regard to Scope 3 emissions (our next highest GHG emissions @ 18.4%); due to the fire protection industry being a highly regulated and standards driven industry, there will be limited opportunity to effect change here without change across the entire industry. We may in fact see these emissions increase in light of recent significant events that may force the change to legislation i.e. sprinkler protection in accommodation.

## LAND USE AND KEY BIODIVERSITY AREAS

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**Type:** Partial Disclosure  
**Status:** Verified  
**Last updated:** 11 Dec 2024

Argus business operates in some regions included in National Priority One Land Environments and Remaining Indigenous Cover areas (as defined by the Ministry for the Environment). These areas have a high concentration of indigenous flora in need of protection. Protecting biodiversity in these areas has been identified as a priority by the government.

Where Argus undertakes installation or development work where an Environmental Impact Assessment may be required (to ensure operations do not negatively impact Key Biodiversity Areas (KBAs)), Argus would complete the works based on any specific project requirements or processes as communicated by the Head Contractor.

Argus have several sustainable practices in place that reduce the impact that we have on environment.

- Involvement in the halon safe handling programme sponsored by the fire protection industry.
- Recycling of all paper, cardboard, plastic and packing materials.
- Recycling of all cans, scrap steel, old fire extinguishers.
- Recycling of all used batteries.
- Recycling of all old cabling.
- All excess materials and waste disposed of in an environmentally thoughtful manner or returned to base to be re-used or re-cycled.
- Reduction of paper-based environment by:
  - Printing and photocopying defaulted to double-sided print settings.
  - Electronic dispatch of invoicing and other documentation wherever possible.
  - PDA environment that replaces hardcopy paper-based test records.
- Investigating more sustainable and “green” materials such as plastic pipe for sprinkler systems (Fusiotherm).
- All air conditioning and heating on automatic timing to save energy whilst buildings are not in use.

## WATER CONSUMPTION

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**Type:** Explanation  
**Status:** Verified  
**Last updated:** 22 Nov 2023

Water Stress is defined as the ratio of total withdrawals to total renewable supply in a given area. The World Resources Institute defines New Zealand as having low water stress. This lower percentage means fewer water users are competing for water supplies.

While this means consumption by Argus may not create risk for an ecosystem or community, as a business, we still need to understand our usage (to manage and monitor to ensure no impact on an ongoing basis).

There needs to be more data or understanding of water usage within the Argus business. Argus will investigate and report on our findings and any recommendations.

## TCFD / IFRS S2 IMPLEMENTATION

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**Type:** Explanation  
**Status:** Verified  
**Last updated:** 10 Dec 2024

Argus is continuing to gain an understanding of TCFD/IFRS S2 requirements (TCFD incorporated by the International Sustainability Standards Board (ISSB) into the International Financial Reporting Standards (IFRS S2)). Once these are understood, a plan for implementing reporting will be developed under IFRS S2, along with a time frame.

The Government passed legislation in April 2021, making climate-related disclosures mandatory for some organisations. The requirement will apply to large publicly listed companies, insurers, banks, non-bank deposit takers and investment managers. Argus is currently not within this group. However, as identified previously we have identified climate-related initiatives that Argus can implement to help reduce our carbon footprint; most notably Scope 1 emissions from our vehicle fleet.

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# People

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## DIVERSITY AND INCLUSION

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**Type:** Full disclosure  
**Status:** Verified  
**Last updated:** 3 Dec 2024

An integral part of Argus onboarding of new staff is to record cultural and societal profiles. This assists Argus in ensuring a fully inclusive working environment for all our people.

As the data shows Argus has a diverse set of employees ranging across all job types and age range.

The ethnicity of our staff is as follows:

	ETHNICITY	ETHNICITY % ARGUS	NZ POPULATION
Asian, Filipino, Indian	66	18.1%	15%
Brazilian (Latin American)	10	2.7%	2.7%
European, British, South African	207	56.7%	59.1%
Maori	49	13.4%	15.5%
Pacifica	33	9.1%	7.7%
	365		

Of the 365 staff within Argus, there are 85% male (312) and 15% female (53). The fire industry has predominantly been male dominated, but we are starting to see more females enter the industry, which Argus actively promotes.

Argus staff are represented well across the age range, with 6% under 25, 29% 25-35, 32% 35-45, 19% 45-55 and 14% over 55. This gives the Argus team a wide scope of knowledge and future proofing within the industry.

Argus Equal Opportunities and Diversity policy reinforces The Argus Group's business-wide commitment to providing an equitable work environment that enables all individuals to reach their potential. This policy forms part of the Argus Way Handbook.

Argus operates internal procedures to prevent and detect theft and fraudulent actions. Our policy applies to all staff, contractors, volunteers, governing body and service users of The Argus Group service users.

Argus is committed to the following:

- Striving for a workplace culture that is welcoming and inclusive, respects individual differences and is free of discrimination and harassment.
- Providing equal opportunities regardless of sex, marital status, religious/ethical belief, colour, race, ethnic or national origins, disability, age, political opinion, employment status, family status, or sexual orientation.
- Ensuring our workplace provides a safe, supportive and healthy environment for all Employees.
- Rewarding equitably based on merit, and
- Complying with all regulatory obligations about diversity and inclusion.

#### HEALTH AND SAFETY

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**Type:** Full disclosure  
**Status:** Verified  
**Last updated:** 4 Dec 2023



Argus is Totika Gold Certified - Tōtika has cut across the jumble of different schemes and standards to give NZ a universal Health and Safety standard, including cross-recognition along with external assessment and certification.

Schedule 19 of The Argus Way Handbook is our policy and procedure regarding how we will ensure the ongoing health and wellness of our employees and ensure that our people remain fit for the role they undertake and are not impacted by their employment activities.

We do this through health assessments that assess the following:

- For possible exposures to hazardous substances or environments
- Cardiovascular
- Respiratory exposure
- Lung function
- Noise exposure
- Hearing
- Vision
- Musculoskeletal assessment
- Fatigue

Argus company values include respecting and supporting our fellow team members and our customers - we call this The Argus Way.

Argus is focused on holistically supporting our employees. As a family business, we have an ethos of caring for our staff well beyond what is legally required.

Practical examples of caring for staff health and welfare include:

- Free annual health monitoring for all staff
- Paid birthday off
- Provision of extended paid sick or domestic leave for staff or their families with serious health issues,
- Paid gym memberships for line managers and project managers,
- Annual scholarship called "Igniting Success" provided to each year for any employee's dependent children's tertiary education,
- Numeracy and literacy courses for employees who would benefit,
- Discretionary financial advances or gift vouchers for staff experiencing difficulties,
- Argus has a robust Drug & Alcohol Policy that outlines our approach and support for all Argus staff. We focus on rehabilitating our employees where an employee's non-negative is confirmed as a positive test. All testing, requests, and results are processed via The Drug Detection Agency portal, managed by our Health and Safety team.
- EAP assistance is freely available to staff and their family members for work or personal issues. However, we recognise there was more we could do to help our employees before they needed to call the EAP; this is where the Groov stepped in (see below).
- Groov - A Wellbeing platform, helping us provide our teams with the tools they need to lift their mental health awareness, so it becomes a part of our everyday life.
- During the Covid-19 pandemic, all staff were retained, even though this reduced company profit.
- Employing the right people in our business is critical to ensure we maintain our culture, so we empower our people to find new suitable staff via a referral incentive scheme.

We have a defined business structure which encourages open communication between all levels of staff, from field technicians to our Managing Director. We believe this leads to open and honest communication between all staff improving service delivery through shared knowledge and experience.

Argus has 90% retention in staff measured over the last five years.

### Lost Time Injuries (LTIs)

Between 1/11/2023 and 31/10/2024, Argus had the following LTIs.

- Hand injury = 1
- Struck by, on or against = 2

The following are examples of actions taken to reduce those injuries resulting in an LTI:

- Companywide training undertaken using Argus Learning Management System (LMS), including Safety courses, Health & Wellbeing courses, Safety Alerts.
- Ongoing communication with our operations teams on the importance of reporting injuries on time, focusing on our top 3 categories where strains and sprains can develop into injuries resulting in time off work.
- Working with an external provider to deliver quick, effective physiotherapy sessions to our technicians following a strain or sprain.
- Development of a Verification of Competency (VOC) practical training process around Electrical Safety where our technicians are required to drill into a wall cavity or enter a ceiling space; this has been highlighted via our Near Miss Reporting and 1 Electrical LTI.
- In collaboration with relevant medical specialists and ACC; an assessment is undertaken to identify light duties that an individual can undertake while recuperating and before they return to their normal duties.
- Purchasing a Stair Climbing trolley for Gas cylinder transportation and undertaking Verification of Competency (VOC) training for all users.

Argus has Standard Operating Procedures (SOPs) for critical operations such as Safe Drilling and Ceiling access VOC.

Additionally, before any work commences, technicians must complete a TAKE 5 Safety Alert (in addition to any JSAs or SSSPs that may have been required for the work). This is a quick prompt to think about what work is about to be completed, what the risks are, and what control measures are in place.

We also communicate all Safety Alerts and any associated learning modules through Argus Learning Management Systems (LMS). These are assigned to all our people to ensure a shared understanding and learning through the entire business.



## TRAINING PROVIDED

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**Type:** Full disclosure  
**Status:** Verified  
**Last updated:** 11 Dec 2024

Argus invests significantly in staff training and continues to strengthen this aspect of the business.

Industry training is provided through Competenz for technical qualifications, while other external organisations provide targeted training in areas such as contract law, HR, team leadership etc.

We sponsor the Gateway program, a Tertiary Education Commission program that enables secondary school learners to have access to workplace learning and to achieve credits on the New Zealand Qualifications Framework (NZQF) towards their National Certificate of Educational Achievement (NCEA).

Argus recently launched an in-house Leadership training programme called Leading The Argus Way. This programme recognises the future leaders and is delivered by an external consultant over an 8-month period to selected cohorts of no more than 14 people (3 initial cohorts identified).

The roles that manage the Building Compliance process are supported by knowledge sharing through memberships of organisations, including the Association of Building Compliance and the Facility Managers Association of New Zealand.

Recorded formal training hours on timesheets for field staff (for the period 1st November 2023 to 31st October 2024) totaled 14,393 hours, with the average number of employees entering time in this period being 215. So average training hours per hourly paid employee in this period was 67 hours per person.

Additionally, we introduced a Learning Management System (LMS) in this same period, which has been utilised for short compliance training, Safety Alerts and optional learning courses. This system is fully integrated into our new IT platform, Microsoft Dynamics 365.

Across 365 staff (field and office staff), 4,596 courses were completed in the period 1 November 2023 to 31 October 2024; this is an average of 13 courses. 55 staff have completed greater than 15 courses.

Argus Group training and development expenditure is interpreted as training provider costs (not employee time out of the business). There was a spend of \$297,454 over this period. This equates to \$813 per employee, a significant increase from \$244 per employee in the last reported period.

### Learning and Development Manager

As part of our commitment to workforce training, we hired a Learning and Development Manager in 2023 to lead business-wide training initiatives across all roles.

This role is central to aligning employee development with the company's strategic goals.

We are proud to invest in our employees' growth, benefiting both their professional advancement and the success of our organisation and the industry as a whole.

### PAY EQUALITY

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<b>Type:</b>	Partial disclosure
<b>Status:</b>	Verified
<b>Last updated:</b>	21 Nov 2023

As part of the Argus Bullying, Harassment and Discrimination Policy (that forms part of The Argus Way Handbook, distributed to every new employee), our purpose is to provide a healthy working environment that is safe, positive and free from bullying, harassment and discrimination. This is based on the definition as per the Human rights Act, i.e., it is illegal to discriminate based on age, sex, sexual orientation, race, colour, disability, family, marital or employment status, political opinion, religious or ethical belief, and ethnic or national origins.

The Equal Opportunities and Diversity Policy is part of The Argus Way Handbook. This policy reinforces The Argus Group's business-wide commitment to providing an equitable work environment that enables all individuals to reach their potential.

All Staff sign a declaration confirming they have read, understand and agree to comply with The Argus Way Handbook and the documents referred to.

### WAGE LEVEL

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**Type:** Full disclosure  
**Status:** Verified  
**Last updated:** 3 Dec 2024

Argus pays the Living Wage as a minimum. The following is a summary of the entry-level wages paid as of 1 September 2024, irrespective of gender:

- Technical trainees \$27.80 per hour
- Junior administrators \$27.80 per hour

The CEO compensation ratio was calculated by dividing the CEO's remuneration by the average income number. The average income is calculated by considering all employees' pay and dividing that by the number of employees.

The ratio is 4.4:1 (last reviewed in November 2024).

## CHILD, FORCED OR COMPULSORY LABOUR

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**Type:** Partial disclosure  
**Status:** Verified  
**Last updated:** 3 Dec 2024

On 8 April 2022, the Government announced that it was commencing consultation regarding a legislative response to Modern Slavery and Worker Exploitation, Forced Labour, People Trafficking and Slavery.

Developed by the Ministry of Business, Innovation and Employment (MBIE) and the Modern Slavery Leadership Advisory Group, the legislative proposals would adopt a disclosure and due diligence approach which places obligations on all types of entities, regardless of size.

In 2021, then Workplace Relations and Safety Minister Michael Wood released New Zealand's Plan of Action against Forced Labour, People Trafficking and Slavery (Plan). This followed the Government's commitment in its 2020 Election Manifesto to continuing "work to stamp out migrant worker exploitation with a focus on exploring the implementation of modern slavery legislation in New Zealand to eliminate exploitation in supply chains". Twenty-eight actions were identified across three pillars: prevention, protection, and enforcement. Further work regarding legislation has been put on hold while the Government focuses on its current Workplace Relations and Safety priorities.

While Argus has not yet implemented any defined policy or process, we define human trafficking as recruiting, transporting, transferring, harbouring, or receiving a person using force, coercion, or other means, for exploitation. Argus defines modern slavery broadly to include any form of servitude, forced or compulsory labour and human trafficking.

We have developed a Modern Slavery policy/statement, which is available on request.

We are currently updating our Subcontractor Supplier process 502A to include declaration questions regarding Modern Slavery and help us understand the areas we may be exposed to inappropriate labour practices and what our next steps are.

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# Prosperity

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## RATE OF EMPLOYMENT

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**Type:** Full disclosure  
**Status:** Verified  
**Last updated:** 29 Nov 2024

During the period 1 November 2023 to 28 November 2024, 70 new staff were hired, 7 female (10%) and 63 male (90%). During the same period 43 staff left the company: 39 male (91%) and 4 female (9%), with a range of ethnic diversity as per below.

### New staff

	ETHNICITY	ETHNICITY % ARGUS	NZ POPULATION
Asian, Filipino, Indian	17	18.1%	15%
Brazilian (Latin American)	5	2.7%	2.7%
European, British, South African	29	56.7%	59.1%
Maori	9	13.4%	15.5%
Pacifica	10	9.1%	7.7%
	70		

### Staff Attrition

	ETHNICITY	ETHNICITY % ARGUS	NZ POPULATION
Asian, Filipino, Indian	10	25.6%	15%
Brazilian (Latin American)	1	2.3%	2.7%
European, British, South African	24	55.8%	59.1%
Maori	2	4.7%	15.5%
Pacifica	5	11.6%	7.7%
	43		

Argus operates a programme to source staff from the Philippines, South Africa and Fiji. We offer employment and assist them in immigration processes. Some of these employees have been able to obtain residency and relocate their families to New Zealand. Argus has supported these valued team members to settle in their new homes and work environments. Note: Argus is an accredited employer with Immigration New Zealand.

## TOTAL R&D EXPENSES

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<b>Type:</b>	Partial disclosure
<b>Status:</b>	Verified
<b>Last updated:</b>	21 Nov 2022

Argus operates in a highly regulated industry, whereby what we install and maintain is driven by the requirements of the relevant New Zealand Standards and the Building Code.

As a business, we are constantly looking globally for innovations that we can bring to our business to enhance further our ESG focus on what and how we deliver (while still ensuring we continue meeting any legislative requirements within the Fire Protection industry).

We have provided detail elsewhere in this ESG report on the sustainability measures we undertake to minimise the impact Argus has on the environment, i.e., waste minimisation and recycling.

We also sit on several industry bodies, whereby Argus has representation and a voice to help drive change and improvement within the fire and Facilities Industry. This includes:

- The Fire Protection Association New Zealand Inc (FPANZ); New Zealand's peak body for fire safety, providing information, services and education to the fire protection industry and the community.
- FPANZ's mission is to be the voice of the Fire Protection community and to continually expand professional expertise to reduce the impact of fire in New Zealand. FPANZ is a not-for-profit member body works with members, the government, and the wider community to continuously improve regulations, standards, education, awareness, products and services to protect life, property and the environment from fire.
- Levy Allocation Advisory Group (LAAG) for the Building Research Advisory Council (BRAC). BRAC is vital in ensuring the Building Research Association of New Zealand (BRANZ)'s accountability and responsiveness to the New Zealand building and construction industry.
- BRANZ undertakes and commissions research funded by the Building Research Levy that is practical and drives positive change. This work helps improve industry practices around the performance of buildings and how we use them through informing policy and legislation and all points in between.
- BRANZ is committed to increasing the understanding of the environmental impact of how they work and taking decisive action to improve, limit or reduce that impact wherever possible. BRANZ's objective is to achieve this without decreasing efficacy as an organisation. BRANZ aims to become a net-zero emissions energy business by 2035 or before.

### TOTAL TAX PAID

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**Type:** Full disclosure  
**Status:** Verified  
**Last updated:** 7 Oct 2022

The data provided by the CFO on taxes paid by the Argus Group is available on request/approval. The taxes include RWT, DWT, PAYE, FBT, GST and company tax.

### ECONOMIC CONTRIBUTION

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**Type:** Full disclosure  
**Status:** Verified  
**Last updated:** 11 Dec 2024

The Argus Group is a privately owned business and, as such, is not required to publicise its financial statements. Information can be requested from the CFO, and disclosure of information will be assessed on a case-by-case basis.

From a training perspective, The Ministry of Education Apprenticeship Support Programme was set up to assist employers dealing with the economic impacts of Covid-19. The Government recognised the need to support businesses to have confidence and retain existing and continue to bring on new apprentices. In addition to helping protect individual's jobs it will also ensure that skills pipeline remained strong to support New Zealand's economic recovery and rebuild over the coming years.

This programme runs until December 2024 and enables all employers who have an eligible apprentice to receive a base subsidy rate up to \$12,000 per annum (\$1,000 per month) for first year apprentices and up to \$6,000 per annum (\$500 per month) for second year apprentices through the Apprentice Boost. From January 2025 Government has selected sectors for continued funding; those identified as critical for economic growth and those increasing female participation. We believe Argus will still be eligible for some of the Boost funding as we are likely categorised as "building" industry. The Government will review the targeted sectors for Apprenticeships again in July 2027 to ensure alignment with industry needs and priorities.

For the period 1st November 2023 to 1 November 2024 Argus received \$6,900 in Apprenticeship Support payments.

In November 2022 Argus Group employees numbered 310, in November 2023 employees numbered 344; and as of 1st November 2024, employees numbered 365. This growth evidences the achievement of the desired economic outcomes of the Apprenticeship Support Programme.

## FINANCIAL INVESTMENT CONTRIBUTION

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**Type:** Full disclosure  
**Status:** Verified  
**Last updated:** 11 Dec 2024

Capital expenditure is kept to a minimum in the Argus Group through careful management focused on reserving our working capital, particularly cash.

We achieve this by focusing on the identification and capitalising on key strategic initiatives fundamental to the business's ongoing success, sustainability, and growth — for example, implementing the new IT platform (Microsoft Dynamics 365) over a 2-year period in 2023.

Tools and equipment required to run the business efficiently and safely are provided through a combination of leasing (motor vehicles) and purchase (computers, mobile devices, tools).

The Argus Group allows for share buybacks following a defined process expressed in the Group's Constitution.

The Group's dividend policy is calculated at 5% of the financial year's opening equity and is paid equally at the end of each quarter.



