



Outsourced*Client*Solutions

OCS New Zealand  
Sustainability Review  
2017



Two brands



**25** branches  
delivering  
nationwide  
coverage

### Key Sectors

- Aviation
- Government
- Healthcare & aged care
- Education
- Retail
- Commercial

**4181**  
team members

**\$145.9m**  
revenue

### Strategic Pillars

- People
- Health, safety & sustainability
- Innovation & efficiency
- Sales & growth
- Profit & cash

**4000+**  
clients

**9300+**  
sites

Major supporter of  
The Salvation Army



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OCS NZ is at the beginning of its sustainability journey - a journey that begins with a commitment to set benchmarks and undertake sustainability performance reporting. This 2017 Sustainability Review provides an overview of the next steps in our journey - which is a long-term one.

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OCS New Zealand is proud to be a member of the Sustainable Business Council.



A message from OCS Managing Director ANZ

## Gareth Marriott

OCS is the world's largest family-owned facilities management services company. Since 1900, our business has seen five generations of family investments, experienced huge growth and development, and ensured our family values and ethos have remained intact. These principles are embraced by everyone who works at OCS today.

Our family now extends to over 87,000 colleagues worldwide, many family shareholders and thousands of retirees. A lot has changed since 1900, but our purpose remains the same: to care for our colleagues, local communities and the environment, and to deliver outstanding service for our customers. This is the OCS way.

OCS prides itself on being a responsible business. Our commitment goes much further than striving to provide value for our clients and ensuring the safety and wellbeing of our colleagues and the public. It also extends to all our stakeholders. Our maxim 'Here Today, Here Tomorrow' reflects our determination to deliver facilities management solutions that are sustainable in financial, human, community and environmental terms.

We continually identify and implement initiatives that reduce our environmental impact, and deliver social and environmental benefits to help improve the lives of thousands of people across the world.

As one of the largest private employers in New Zealand, we are committed to ensuring our operating model minimises the impact we have on the environment, and that we look after our colleagues, their families, and the communities we operate in. This commitment is captured in our values and our strategy, where we give sustainability the same level of focus and importance as our financial objectives.

We have a strategic objective to be the most environmentally sustainable business in our sector by 2020 and I am proud of the work our team members are doing in working to achieve this. Over the last four years, we have made significant progress in identifying opportunities to reduce our potential impact under the following sustainability framework:



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#### Sustainable business and people

- Employee engagement and people management
- Health and safety

#### Sustainable business and the environment

- Fleet procurement and management
- Waste management
- Water consumption
- Chemicals procurement and consumption

#### Sustainable business and communities

- Partnering with service partners to deliver a sustainable supply chain
- Engaging with local communities and charities

#### The framework seeks to provide:

- a flexible support structure that delivers sustainability in an effective, efficient and economical way
- high levels of management competency maintained by coaching, mentoring and training
- a clear focus on front-line engagement to promote a sustainable and safer workplace
- positive and meaningful relationships with our team members, clients, suppliers and the community
- improved efficiency of our service delivery to reduce operating costs,
- the long-term viability of OCS while taking care of the environment in a reasonable and fair manner
- a healthy workplace encouraging employee engagement, leadership and productivity
- a competitive advantage through our sustainability drive, by meeting client demand and increasing the value of the OCS brand.

We are invested in supporting the United Nations Sustainable Development Goals (SDG's) and have aligned our strategy to support 9 of the 17 goals that our efforts will make the greatest impact. This set of 17 goals imagines a world rid of poverty, hunger and safe from the worst effects of climate change. Not only are we establishing initiatives internally, we choose to be affiliated with suppliers who contribute in the same way, and enable us to measure our own performance with analysis, reporting and benchmarking.

Sustainability is a long-term commitment, and it is a journey that we are proud to be a part of. We have made some excellent progress over the last two years and look forward to continuing this trend in the coming years.



A message from  
OCS Group CEO

**Peter Slator**

The international OCS Group recognises that sustainable development is an ongoing process – and OCS New Zealand’s 2017 Sustainability Review reflects this philosophy.

Across the globe we continue to develop our business and achieve commercial success by respecting our environment, our people and the communities in which we operate.

OCS NZ’s strategic objective to become the most environmentally sustainable business in its sector by 2030 is to be applauded, and it is fully supported by our global operation.

We encourage behaviour and initiatives that protect and enhance the environment, whilst facilitating wider economic prosperity and quality of life for present and future generations.

We have an opportunity and a responsibility to use our footprint and convening power in the economy and society to have a leading voice as an advocate for positive changes – small and large – which will all make a difference.

In particular, for OCS, our greatest natural resource is our people. As a result, sustainability for us is as much about looking after our people, as it is about looking after our environment. This is reinforced by the highlights provided in this 2017 review, which cover a large number of inspiring and exciting initiatives that are focused on supporting our people, their families, and the communities in which they live and work.

In New Zealand, and around the world, OCS is acting today to sustain our business, our clients’ businesses, our people and our environment in order to future-proof it for tomorrow’s generations.



A message from  
Executive Director, Sustainable Business Council

## Abbie Reynolds



The past 12 months have seen unprecedented action on climate change and a growing momentum on sustainability in New Zealand. Sustainability issues such as water quality, youth unemployment, and plastic waste are now dominating public discussion around the world and are priority issues for business to address.

The speed with which these issues emerge is accelerating, and Kiwi companies need to get better at anticipating and being prepared for these issues – which a good sustainability process allows them to do. It's why reports like this one are so important. The process of developing a sustainability strategy and communicating performance provides business with a clearer view about where risks, and opportunities, are going to emerge from.

This year, I have seen a growing number of SBC business leaders getting to grips with the fact that issues like climate change and the rapid pace of technology means there is no more 'business as usual'. It's taking a different type of leadership, and new tools and approaches to navigate issues that didn't even exist when we were starting our careers.

It takes courage and a willingness to talk publicly about issues that business has not traditionally concerned itself with. In July, the launch of the Climate Leaders Coalition saw 60 businesses representing nearly 50% of New Zealand's emissions publicly commit to setting ambitious carbon reduction targets. OCS was one of those leading businesses.

I believe we will only see more acceleration in the year ahead. The mega-trends of the changing nature of work, increasing inequalities, shifting demographics and the impact of environmental change on our lifestyles will only increase the challenges business face. But businesses, like OCS, that embrace these as possibilities will survive and thrive.

# Business Overview



OCS New Zealand is trusted by over 4,000 clients across New Zealand to deliver essential and sustainable facilities services. Our 4,000+ passionate and talented team members are key to success across our focus sectors of aviation, government, education, retail, and health and aged care, as well as the commercial sector.

The 2017 calendar year saw OCS and our hygiene division, Cannon New Zealand, continue year-on-year growth with revenue up 5.3% on 2016 to over \$145M. Further improvements in health and safety and client retention were also highlights.

With our 'one business, many solutions' model, we have continued to identify opportunities to provide additional services to existing clients, and offer both single service and bundled solutions to new clients.

One of our key value propositions is our extensive, national branch network, which ensures we can continue to improve service levels to clients and provide better support to our team members. In line with this commitment to our team members, clients and local communities, we strengthened our network with new branches opening in Albany (North Auckland) and at Auckland Airport, bringing our total branch number to 25.

2017/18 has and will see the introduction of new technology including Computer Assisted Facilities Management (CAFM) and integrated Business Intelligence software to support our teams and clients, and to assist in growing our business.

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## Our stakeholders

We are committed to ongoing stakeholder engagement as part of our business and sustainability strategies. We engage with many stakeholder groups in a variety of ways, including regular face-to-face meetings and our annual conference, supplier workshops, customer insight sessions and charitable events.

By working together with our stakeholders, we are able to identify issues and develop solutions by bringing together the expertise and knowledge of a range of people and organisations, allowing us to achieve a positive impact on social, environmental, business and other issues.



# Our Sustainability Framework

## Sustainable business and our people

In addition to complying with or exceeding regulatory controls or codes of practice, we aim for continuity of management and succession planning, balanced and efficient work processes, empowering a skilled and competent workforce - safe, engaged, motivated, healthy and high performing team members, who want to stay with us today and tomorrow. We are committed to:

- Creating a safe working environment
- Fully engaging and supporting our team members
- Operating the business in accordance with a shared set of values
- Enhancing our diversity and flexibility through policies, procedures, processes, and systems
- Promoting the link between wellbeing and performance
- Health & Safety and employment policies
- Developing an open culture
- Building a strong learning organisation around quality and team competence

## 2017 People Outcomes

### Staff recognition



OCS branches and their clients around NZ recognised the important work of their cleaners.



### Zero fatalities



OCS maintained its record of zero fatalities.

### Workforce split



64%  
Female

36%  
Male

40%  
women in management - operations managers and above.



### Branch network



Increased to 25, with the addition of two branches in Albany and at Auckland Airport.



### Staff training

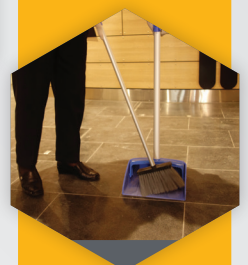


3600

Professional development programmes attended.



### Employee Engagement



74%

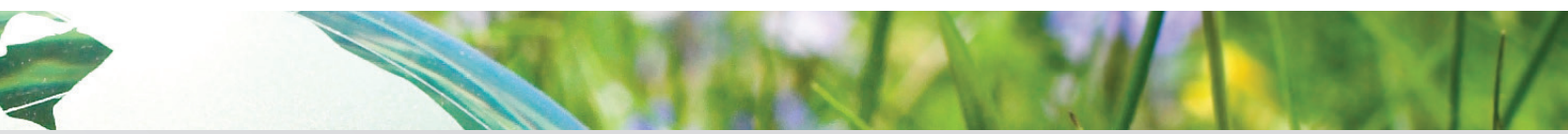
An increase of 4.2% on 2016.





Our objectives in the area of sustainable business and our people are:

- Provide clarity around individual and collective duties and responsibilities
- Acceptance of personal responsibility
- Demonstrate leadership excellence
- Ensure competent team members through making available appropriate levels of training, support, process structure and advice
- Promote acceptance of workplace health, safety and wellbeing
- Introduce a programme to develop our internal culture
- Reward and recognise our front-line team members
- Maintain rigorous adherence to maintaining due diligence and externally assessed best practice HSEQ international and national standards
- Vigorous risk management programme practice HSEQ international and national standards



### Driver safety



Utilised EROAD to benchmark 2017 vehicle incidents and injuries. Overspeeds down 47% year on year. 366 drivers completed driver safety training.



### Long service



Team members with 25+ years service invited to attend the OCS annual conference and publicly recognised.

### KYND Wellness



Trialed the KYND Wellness app with OCS NZ managers, this will be launched to the wider team in 2018.



### Health vaccinations



Flu shots available to all team members. HEP screening and immunisation for Cannon team members conducting high risk activity.



### Lower injury rate



# 0.45

Total recordable injury frequency (TRIFR) maintained below 0.5 per 100,000 hours worked (rolling 12 months).

### Maintain accreditations



Maintained external accreditations

- ACC Partnership Programme
- ISO18001/4801
- ISO9001



# Our Sustainability Framework

## Sustainable business and the environment

As a minimum, our goal is that all our activities comply with or exceed regulatory controls or codes of practice, however our aim is that our service performance has near zero impact on the environment.

We are committed to:

- Continuously reducing our environmental impacts in relation to our revenue. These are defined as the efficient use of natural resources, the reduction of carbon dioxide emissions and our performance in respect of the waste hierarchy. It also includes a commitment to reduce impacts on flora and fauna from our operations and to promote the biodiversity of species
- Measure and help reduce environmental impacts arising from main supplier activities when working on behalf of OCS Group UK
- Help clients reduce environmental impacts arising from their own activities
- Work with organisations who promote environmental impact reduction activities

## 2017 Environment Outcomes

### Paper reduction



The transition to Vault EHS software has resulted in workplace HSE inspections and audits being produced using apps.



### e-payslips introduction



Transitioned 76.4% of team members to receive payslips via email.



### PFFC paper



Working with suppliers to reach our goal of 75% of paper consumables certified to internationally recognised environmental standards.



### Maintain accreditations



Maintained ISO14001 external accreditation.

### GHG emissions

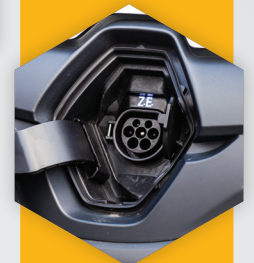


**-5%**

Company fleet greenhouse gas emissions - 1.2 tonnes carbon output per vehicle.



### Fleet management



**3%**

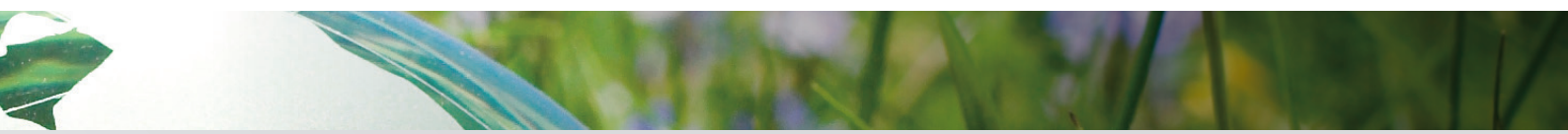
of company vehicle fleet hybrid or electric against target of 30% by 2020.





Our objectives in the area of sustainable business and the environment are to:

- Maintain focus on evolving risk management processes and strategies
- Ensure continuous professional development / competence / capabilities for management and promote appropriate mix of specialties within planning and evaluation teams
- Maintain open working partnerships with key suppliers to ensure OCS is current with innovations and sustainable service solutions
- Ensure sustainable procurement processes with suppliers
- Regular planning and development of mutually beneficial solutions with clients and suppliers.
- Imaginative thinking and problem solving
- Embrace technology and “outside the square” thinking to drive innovation
- Create opportunities for innovation suggestions and shared learning both internally and externally



<p><b>Chemical usage</b></p>  <p>Introduction of SmartDose range of chemicals in 2014 has resulted in:</p> <ul style="list-style-type: none"> <li>-55.7% carbon emissions</li> <li>-55.8% plastic waste</li> </ul> <p>Reduced transportation.</p> 	<p><b>WasteLine achievements</b></p>  <p>WasteLine continues to provide consultancy implementation and ongoing waste management for clients around New Zealand.</p> 	<p><b>Auckland airport</b></p>  <p>From 2012-17 as passenger numbers have increased by 26% diversion from landfill at the international terminal has increased by 18% and weight of waste per passenger has decreased by 19%.</p> 	<p><b>Furniture recycling</b></p>  <p>Surplus client furniture destined for landfill, redirected to the Salvation Army for distribution to families in need and to raise funds.</p> 	<p><b>Chemical disposal</b></p>  <p>2718 team members completed HSE inductions and task training</p> <p>1,521 team members completed Toolbox training on environmental/chemical safety</p> <p>35 emergency wardens</p> <p>26 chemical spill drills completed.</p> 	<p><b>Supplier forum</b></p>  <p>OCS invited key suppliers to a forum to discuss sustainability and how they can assist us on our journey.</p>  
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# Our Sustainability Framework

## Sustainable business and the community

Our aim is to achieve the best value from all stakeholder relationships. We are committed to:

- Driving value in the supply chain by influencing industry and business groups, becoming thought leaders and developing valuable and sustainable networks
- Ensuring best value from integrating our thoughts and efforts within our organisation and sharing resources and best practice
- Reaching out into communities in search of the best talent
- Participating in the development of the communities and charities we work and live alongside, contributing to improving individual opportunity and ability to improve social and economic power

## 2017 Community Outcomes

### Cans for good



OCS was an official collection partner for The Salvation Army's Watties Cans for Good.



### Red Shield appeal



OCS and Cannon team members around the country volunteered their time to collect for The Salvation Army's Red Shield Appeal.



### 14 hours homeless



OCS team members participated in The Salvation Army's 14 hours homeless appeal.



### Christmas tree showcase



OCS participated in The Salvation Army's Christmas Tree Showcase fundraiser.



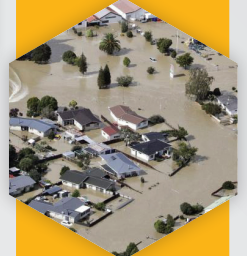
### Minibus donation



OCS donated the use of a 12-seater minibus to The Salvation Army's Aspire Youth Development programme in Auckland.



### BOP flooding



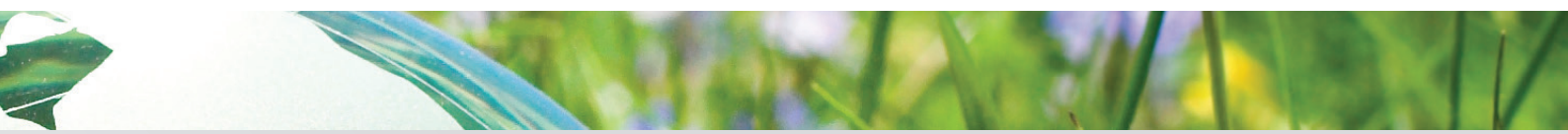
OCS donated 200 hot water bottles to The Salvation Army to assist in the aftermath of the Bay of Plenty flooding.





Our objectives in the area of sustainable business and the environment are:

- Establish and maintain a governance structure to adhere to social, legal and moral values and responsibilities
- Introduce a Just Culture aimed at building and supporting sustainable capital and resilience
- Continue partnerships with external social responsibility organisations (charities) with corporate, local and personal involvements throughout the organisation
- Legal compliance and assurance - maintain policies, processes, and guidance
- Regular internal and external audit verification reviews to aim at continuous improvements
- Robust record keeping and document retrieval



### Workbridge association



OCS work with the Ministry of Social Development and Workbridge to provide job placement for the long-term unemployed and individuals with mental and physical disabilities.



### Pukeha support



A \$10,000 donation to the Pukeha Mt Bruce Wildlife Centre to support endangered NZ bird captive breeding programme.



### First Foundation



Awarded our 3rd First Foundation scholarship to Daniel Mea'ole-Naea, nephew of OCS Contract Supervisor Teresa Tuiluluu.



### Kiwi Harvest



Continued support of Kiwi Harvest, providing free cleaning and hygiene services.



### PRM Ambassador



Our OCS Australia and NZ passengers with reduced mobility ambassador, Dylan Alcott, consulted with our airline clients on their PRM services.



### September participation



Team members around NZ participated in September raising funds for cerebral palsy. With the added benefit of increased morale



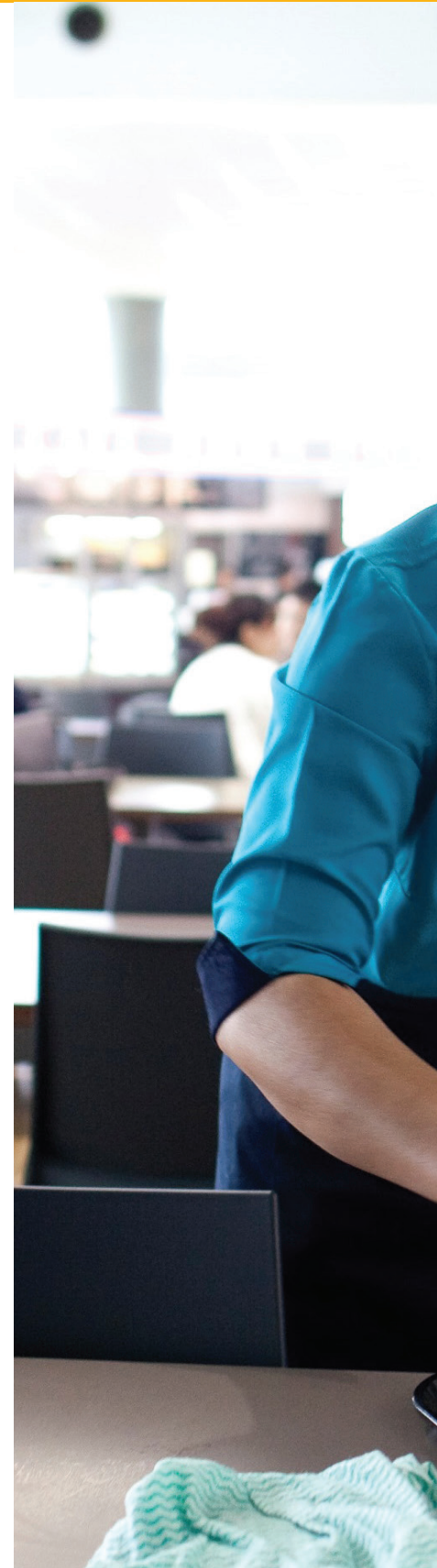
# Where to from here?

Establishing and maintaining a sustainable business, being a responsible employer and supporting our local communities is not a new initiative to be celebrated. However, it is now a priority to place importance on these well-established values, by providing measurement, keeping records, and monitoring performance. Therefore, we have embraced these new practices and are proud to present them year by year in the form of the OCS Sustainability Review.

We are currently excelling in several areas, particularly in community and team members empowerment, education and support.

We anticipate 8-10% revenue growth in 2018 and a corresponding requirement to increase employee numbers to more than 4,500. As one of the largest private employers in New Zealand, our key sustainability focus will continue to be our people. One of our major challenges in 2017 has been the retention of front-line team members and we see this being an even greater challenge in 2018 and beyond. It is important that we continue to focus on employee engagement and on educating our clients and the wider community about the value our front-line team bring, through initiatives such as Thank Your Cleaner Day.

Moving forward, we plan to focus on the environment – especially those elements affecting climate change. These include the crucial areas of eco-friendly product consumption, fleet management and waste management.





We have highlighted the following areas and targets for our close attention over the next 3 years:

- Recognising, supporting and rewarding our team members
- Maintaining our focus on Health and Safety, ensuring everyone gets home safely every day
- Implement Hire to Retire processes and systems
- Implementation of a Computer Assisted Facilities Management (CAFM) system to support an efficient and effective service delivery model and an integrated Business Intelligence tool to enhance client reporting functions and to deliver more comprehensive, real time information
- Continued reduction in company fleet greenhouse gas emissions and selecting electric/hybrid vehicles, where possible, to achieve our target of 30% of the fleet being hybrid or electric by 2020
- Working with supplier partners to continue to generate sustainable consumables and equipment initiatives
- Supporting and promoting sustainability practices with all suppliers, clients and partners through education and collaboration
- Maintaining our external accreditations
- Continuing to support The Salvation Army in their work to fight poverty and social distress in New Zealand

Importantly, in looking ahead, we have signed up to the Climate Leaders Coalition, alongside dozens of New Zealand's largest companies and organisations. Collectively, we are on a mission to reduce emissions in New Zealand, and we will continue to work with this group to drive change across the country.



# United Nations Sustainable Development Goals

United Nations





**To provide feedback or to contact us:**

**P: +64 9 300 9900**

**E: [sustainability@ocs.co.nz](mailto:sustainability@ocs.co.nz)**

**W: [www.ocs.co.nz](http://www.ocs.co.nz)**

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