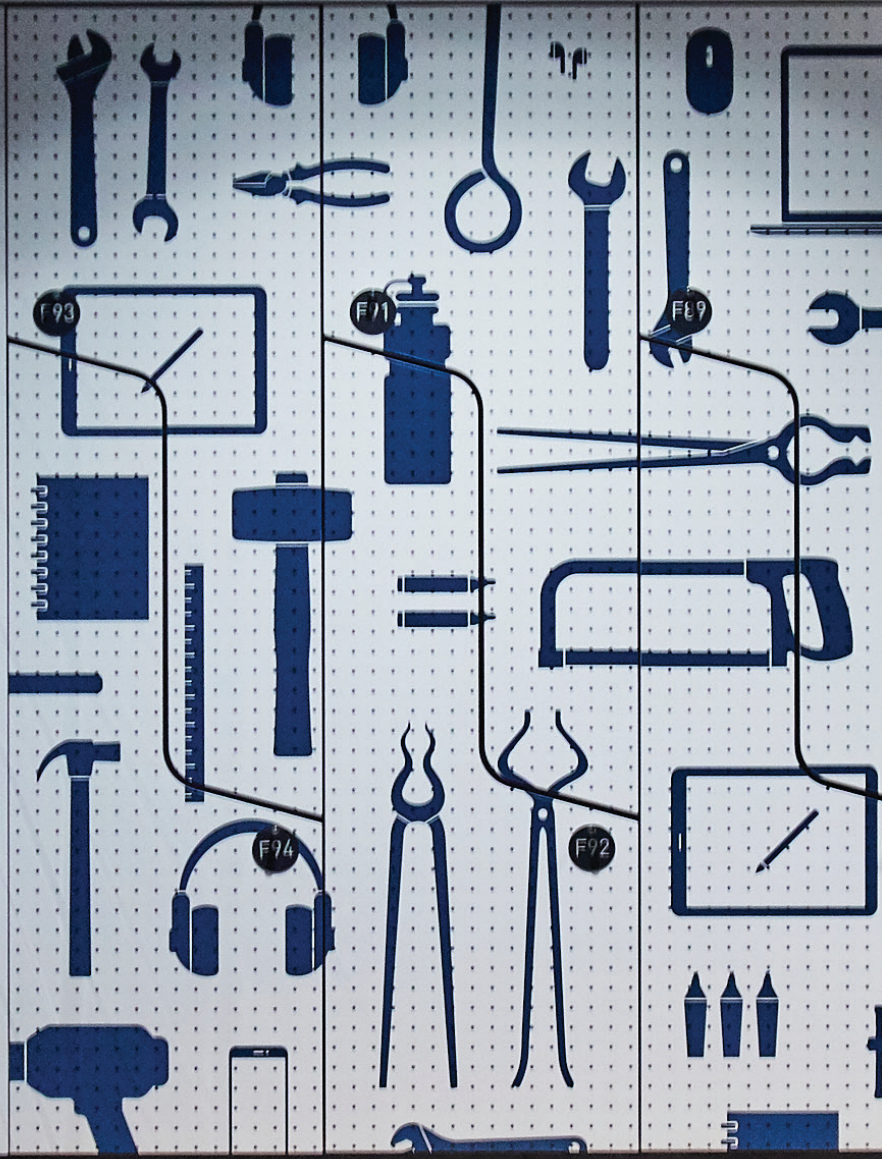


SUSTAINABILITY REPORT 2021



interloc[®]
LOCKERS AND PARTITIONS

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Message From The Director

At Interloc, we want to do the right thing by our staff, our community, workers in our business and supply chains, and the environment.

I am proud of the industry leadership we have demonstrated in sustainability. We have been reporting on our environmental impacts for almost a decade, and we have maintained our ISO 14001 EMS certification and Type 1 ecolabelling certification for over 12 years.

Along the way, we have engaged sustainability professionals to help us identify and mitigate risks and seek out opportunities for improvement.

When it comes to sustainability, we want to be transparent in what we are doing and how we are tracking.

We understand there is more to do. Our stakeholders expect us not just to reduce the environmental impacts of our operations and our products, but also to address ethical and human rights issues such as modern slavery and protect the rights of workers within our business operations and supply chains.

These expectations form a key part of the current Sustainably Report.

Our Company

Interloc Lockers and Partitions are a family business in operation for 50 years. We're a medium-sized organisation, with our main manufacturing facility located in Somersby on the Central Coast of New South Wales. We have two warehousing facilities, one in Queensland and the other in Victoria, and our head office (administration and sales) is in Sydney.

We design, manufacture, and install timber-laminate, ABS plastic and steel lockers, as well as seating and partitions,

for clients throughout Australia. We also install and deliver toilet and shower partitioning within New South Wales and the Australian Capital Territory. In addition, our product range includes a variety of accessories and smart locking devices with digital locking systems.

Our core values are innovation in design and manufacture and supplying products that are durable and sustainable. Our IT department assists our clients with onsite support and maintenance to extend our products' life cycle.

Our Stakeholders

Across the manufacturing sector, the last few years have seen a step change in most companies' sustainability focus. Rather than looking at environmental issues alone, the outlook has broadened to include social responsibility as well. Now questions are being asked about companies' human rights response and social performance.

Leading the charge is the Green Building Council of Australia (GBCA). On 3 December 2021 they published '**Driving Responsible Products in the Built Environment: Changes to Green Star Buildings and Our Strategy for the Future**'. This paper 'serves to outline the strategy and future trajectory for the evolution of the Responsible Products Framework, Green Star Buildings and Green Star Fitouts'.

The paper focuses on a number of sustainability topics that are important for product manufacturers.

These include:

- **A circular economy** – using sustainable, innovative materials and ensuring products stay within a closed-loop system
- **Responsible sourcing** of products and materials
- **Transparency** in reporting on progress in meeting sustainability targets
- **Reducing carbon emissions and lowering environmental impacts** within business operations and in products
- **Respecting human rights** within business operations and supply chains.

Other interested stakeholders – such as the property industry, architects and designers, universities, and local, State and federal governments – are also pushing the sustainability agenda and seeking to partner with ethical and sustainable product manufacturers and suppliers.

Increasingly, stakeholders want to know what manufacturers are doing to support biodiversity and a circular economy, reduce carbon emissions and product toxicity, and address climate change, human rights issues and modern slavery.

At Interloc, we are using the GBCA's paper and the requests of our stakeholders to help inform our Sustainability Strategy.

Our Commitment

Our sustainability goals keep us focused on what's important to us and our stakeholders. They include:

Exceeding our clients' sustainability expectations	Creating an ethical work culture
Seeking to influence our supply chains, to drive low-carbon, sustainable and ethical outcomes	Complying with third-party-verified product and company environmental certifications
Complying with environmental and health and safety laws and regulations	Taking action to assess and address modern slavery risks within our business operations and supply chains
Reducing our carbon footprint	Ensuring that our staff are working in a safe environment

Our Performance

A Snapshot

We continue striving to reduce our environmental impact and carbon emissions, to create a safe workplace, and to conduct sustainability due diligence across our operations and supply chains, as well as in our products.

We have put in place the following sustainability initiatives:	
International Standard for Organization (ISO) 14001:2015 (Environmental Management Systems (EMS)) certification since 2009	A documented workplace health and safety system in line with ISO 45001:2018 (Occupational Health and Safety Management Systems)
Level A Global GreenTag GreenRate certification, the highest level of Type 1 (third party) product ecolabelling certification	Reduction of carbon emissions through use of a 195-kilowatt solar panel system
Sourcing of Program for the Endorsement of Forest Certification (PEFC) responsible timber	Conducting sustainable due diligence in relation to the supply chains of key suppliers
	Ethical business practices

United Nations Sustainable Development Goals (SDGs)

Interloc have been working with our consultant Sustainable Business Matters for over 13 years. Together, we have developed a strategy based on addressing the seven SDGs that are relevant to us, and seeking sustainability improvements across our business operations and supply chains, and in our products.

Sustainability Initiatives Within Our Operations

1. ISO 14001:2015 EMS Certification

Interloc achieved ISO 14001:2015 EMS certification in 2009. This has involved assessing our environmental impacts, taking action to reduce risks, setting targets, monitoring and tracking our performance, and looking for opportunities for improvement.



	UN Sustainable Development Goal 13: Climate Action	Take urgent action to combat climate change and its impacts.
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2. Workplace Health and Safety (WHS)

Interloc have engaged a specialist WHS consultant to assist us in identifying, controlling and monitoring workplace hazards and risks. We have a documented management system in line with ISO 45001:2018 OH&S and hold regular WHS and EMS committee meetings to address any workplace issues.

	UN Sustainable Development Goal 3: Good Health and Well-Being	Ensure healthy lives and promote well-being for all at all ages.
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3. Sustainable Packaging

Since 2019, Interloc have been a member of the not-for-profit Australian Packaging Covenant Organisation (APCO) (apco.org.au). APCO aims to help companies reduce their packaging, use more sustainable materials and ensure packaging does not end up in landfill.

	UN Sustainable Development Goal 12: Responsible Consumption and Production	Ensure sustainable consumption and production patterns.
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4. Ethical Sourcing


Our Ethical Sourcing Policy sets out our commitment to use responsible and sustainable methods to procure products and services. We require our suppliers to demonstrate that all their workers receive fair wages and have safe working conditions, that all human rights are respected, and that they are complying with all relevant environmental laws and regulations.

	UN Sustainable Development Goal 8: Decent Work and Economic Growth	Promote inclusive and sustainable economic growth, employment and decent work for all.
	UN Sustainable Development Goal 10: Reduced Inequalities	Reduce inequality within and among countries.
	UN Sustainable Development Goal 12: Responsible Consumption and Production	Ensure sustainable consumption and production patterns.
	UN Sustainable Development Goal 13: Climate Action	Take urgent action to combat climate change and its impacts.

5. Waste and Recycling

Interloc have a number of different initiatives in place to reduce the quantity of waste we produce that goes to landfill. They include dematerialisation (using fewer materials), eliminating waste when manufacturing our products (e.g. reusing timber offcuts in our locker plinths), commingled recycling of steel and cardboard and reusing timber offcuts and briquettes as biomass (fuel).



We have been tracking our waste levels for 11 years, and over that time we have seen a 460% reduction, from 144 tonnes in 2010 to 31.9 tonnes in 2021.

	UN Sustainable Development Goal 13: Climate Action	Take urgent action to combat climate change and its impacts.
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6. Energy and Carbon Management


We have a number of initiatives in place to reduce our energy consumption and carbon emissions. These include LED lighting and skylights in our manufacturing facility and warehouses, and a 195-kilowatt solar panel system in our manufacturing facility at Somersby.

We have been tracking our energy consumption for 11 years and have seen a 97% reduction over this period.

	UN Sustainable Development Goal 7: Affordable and Clean Energy	Ensure access to affordable, reliable, sustainable and modern energy.
	UN Sustainable Development Goal 13: Climate Action	Take urgent action to combat climate change and its impacts.



7. Clean Water

No water is used in the manufacturing of our products. We have a 10,000-litre rainwater tank that we use for staff amenities. We have a bioretention basin to prevent pollution by minimising the quantity of nutrients that end up in stormwater. We use spill kits to further ensure that no hazardous waste can leave the site and end up in stormwater.

	UN Sustainable Development Goal 6: Clean Water and Sanitation	Ensure access to water and sanitation for all.
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8. Ethical Business Practices

We aim to conduct our business in an ethical and responsible manner, and develop strong relationships with our staff, suppliers and customers, based on trust, understanding and respect. Our people and the people who work for our suppliers matter. We want our own staff to work in a safe and healthy environment, and we want the same thing for workers within our supply chains.

	UN Sustainable Development Goal 8: Decent Work and Economic Growth	Promote inclusive and sustainable economic growth, employment and decent work for all.
	UN Sustainable Development Goal 10: Reduced Inequalities	Reduce inequality within and among countries.

Product Sustainability Initiatives

1. Global GreenTag GreenRate Level A Certification

Global GreenTag GreenRate Level A is a Type 1 (third party) ecolabelling certification program. Interloc's timber-laminated lockers have had Level A certification since 2010. This means our lockers are:

- low in toxicity
- low in volatile organic compounds (VOCs), including formaldehyde
- ISO 14001:2015 EMS certified
- constructed using PEFC-certified timber
- fit for purpose
- Australian-made with majority-Australian-made components
- compliant with all legal requirements relating to social and environmental sustainability
- subject to our product stewardship program (a commitment to take back and reuse and/or recycle timber and hardware components where possible) for Green Star projects
- easily repairable, with replacement parts readily available
- designed for easy disassembly



	UN Sustainable Development Goal 12: Responsible Consumption and Production	Ensure sustainable consumption and production patterns.
	UN Sustainable Development Goal 3: Good Health and Well-Being	Ensure healthy lives and promote well-being for all at all ages.

Green Star Rating Tools

Green Star Buildings Rating Tool

Green Star Buildings is the Green Building Council of Australia's (GBCA's) latest Green Star rating tool for new buildings and major refurbishments.

All Green Star rating tools released from 2020 require products to meet the criteria set out in the GBCA's **Responsible Products Framework**. These criteria score how 'responsible' a product is. The aim of the framework is to drive manufacturers to produce products that are healthy, low-impact, produced with zero carbon emissions, and part of a circular economy.

Responsible Category – Responsible Finishes

The Responsible Finishes Credit in the Responsible category requires a building's internal finishes, such as lockers, to be 'responsibly manufactured products'.

Interloc timber-laminated lockers are recognised under the Responsible Products Framework as Responsible Finishes, and have achieved a responsible products value (RPV) of ≥ 7 by holding Level A Global GreenTag GreenRate Certification.

Healthy Category – Exposure to Toxins

Interloc timber-laminated lockers meet the 'Minimum Expectations' criteria in the Healthy category, Exposure to Toxins Credit.

The credit requires engineered wood products to be low in VOCs or completely non-toxic. Our timber-laminated lockers have been VOC-tested in line with international standard ASTM D5116-17 and proven to be low in VOCs.

We can provide Green Star project teams with formaldehyde test certificates based on Australian–New Zealand standard

AS/NZS 4266.16-2017 and our Level A Global GreenTag GreenRate certification, a standard recognised by the GBCA.

There are no banned or highly toxic chemicals or materials in our timber-laminated lockers.

Green Star Design & As Built and Interiors Rating Tools v1.3

Global GreenTag GreenRate is a product certification scheme recognised by the GBCA. Interloc timber-laminated lockers achieved Level A GreenRate certification in 2010.

Here's how our Global GreenTag certified timber-laminated lockers achieve Green Star credits.

Sustainable Products Credit

The aim of this credit is to encourage sustainability and transparency in product specification.

Interloc lockers' GreenTag GreenRate Level A certification gives full points for the Sustainability Factor (SF): 1.00.

Indoor Pollutants Credit

The aim of this Green Star credit is to recognise projects that safeguard occupant health by reducing levels of internal air pollutants.

One point is available where at least 95% of all engineered wood products stipulate formaldehyde limits.

In addition to meeting the Indoor Pollutants Credit, Interloc timber-laminated lockers comply with the GBCA's total volatile organic compound (TVOC) limit of 0.5 milligrams per item per hour, as specified in ASTM D5116.

Transparency and sustainability initiative	Sustainability factor (SF)
Reused Product	1.00
Recycled Content Product	1.00
Environmental Product Declaration – Product-specific	0.75
Environmental Product Declaration – Industry-wide	0.50
Level A Third party Certification	1.00
Level B Third Party Certification	0.75
Level C Third Party Certification	0.50
Stewardship Program	0.50

Our Green Star Project Portfolio (Design & As Built and Interiors)

We know how important Green Star rated buildings and interior fitouts are to the wellbeing of building occupants, and to our environment. We supply lockers to corporations, fitness and aquatic centres, retailers and hospitals. All our clients want to create beautiful and sustainable places for their employees, patients and customers.

We are proud to be supplying products for the following Green Star projects:

New South Wales

300 George Street, Sydney

Macquarie University

Aurecon, Sydney

Concord Hospital

Blacktown Hospital

Western Sydney Airport Visitor Centre

Susan Wakil Health Building, University of Sydney

Victoria

Melbourne Quarter

AGL, Collins Street, Melbourne

City West Tower, Victoria University

Westside Place, Melbourne

Queensland

Aurecon, Brisbane

Australian Capital Territory

Australian National University

Our Future Commitments

Interloc believe in creating long-term value for our stakeholders and continually working to improve our sustainability. We are proud of what we have achieved over the last 13 years, but we know there is more to do.

Our future commitments include:

Conducting a high-level Modern Slavery Risk Assessment and developing mitigation strategies to combat modern slavery

Conducting a Circular Economy Review of our products and processes

Looking at ways to reduce carbon emissions within our business operations and across our supply chains

We will continue to engage with internal and external stakeholders and industry experts to better understand this evolving space.



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