



**We're committed to Aotearoa
– the land, the people, and our
future**





Kia ora all,

The statement that's had the biggest impact on the way I think about sustainability is that, for the foreseeable future, certainly this generation and the next, we are going to be living on a tiny planet called Earth. It's our one option – we have no other backup plan – so we need to look after it.

At Rheem, we want to be part of the solution. We are aware that our industry utilises natural resources and has an impact on the environment, so we feel a strong responsibility to be a leader in this space. Our commitment to sustainable development means we work hard to ensure our operations and products enhance the environment. We take pride in working with our community of customers and suppliers to develop hot water solutions which reduce waste and minimise environmental impact.

We've also set some big sustainability goals for Rheem, which you can read more about in the pages that follow. Launching our Solar Solutions range and installing solar panels on our own factory are just a couple examples of how we are lowering our overall energy consumption – but watch this space as we continue to action our long-term sustainability vision.

Humans are remarkable beings capable of amazing things. We have reversed the depletion in the ozone layer which is now healing, and there's plenty more we can accomplish! We encourage you to learn and ask the questions you want answered – this is how we will achieve these goals together.

If you want any more information about Rheem's sustainability plan, please don't hesitate to contact our team.

Yours sincerely
Mark McCutcheon
General Manager

Rheem's Sustainability goals

Since 1958, Rheem has been a leader in heating, cooling and water heating innovation in New Zealand, and this isn't changing any time soon. We're committed to improving our products and processes so we can dramatically cut our impact on the environment. It's all part of our bold sustainability vision for the future.

We've Set Big Goals

Rheem has set some significant global sustainability goals for 2025, and we're doing everything we can in NZ to make sure they are achieved.

- ① Launch a line of heating, cooling and water heating products that boast a 50% reduction in greenhouse gas footprint.¹
- ② Reduce greenhouse gas emissions by 50% and achieve zero waste to landfill in our global manufacturing operations.²
- ③ Train 250,000 plumbers, contractors and key influencers on sustainable products or sustainable installation and recycling best practices.

Our Strategy

Intelligent products, responsible processes and inspired people are all integral to achieving our zero waste goal – so that's exactly where we are focusing our efforts.

1. Intelligent Products

- We see a future with zero energy and water waste in the use of our products.
- We are focused on innovating with intent, engineering solutions with lifetime sustainability in mind—from material selection to smart features to responsible recycling. Currently, all our storage water heaters (mains and low pressure) have recyclable steel jackets.



- All foam used in the insulation of our Rheem water heaters have ultra-low Global Warming Potential (GWP) and zero Ozone Depleting Properties (ODP).
- Our domestic products meet New Zealand's Minimum Energy Performance Standards (MEPS), reducing heat loss and the energy needed to store hot water.
- Rheem gas water heaters are designed and manufactured to exacting safety, efficiency and performance standards and meet the requirements of the NZ Gas Regulations 2010.

2. Responsible Processes

- We see a future with zero material, energy and water waste in our manufacturing, operations and supply chain. We currently use materials such as wood, cardboard, paper, steel, brass, and glass, which are all recycled.
- We strive for operational excellence, working smarter and more sustainably to consume fewer resources, generate less waste and ensure simpler, safer processes. We've already improved our facilities by installing energy-saving LED lighting and power factor correction devices in the factory, stores, despatch, and warehouse.
- We have also installed solar on our manufacturing plant's roof to reduce energy consumption.
- We have formed a Sustainability/Go Zero team who are driving new initiatives at Rheem NZ, including reaching our goal of Zero Waste by 2025.

3. Degrees of Leadership

- We hire and inspire our teams to be next-generation thinkers and responsible

stewards of our industry, the greater community and the environment.

- Rheem NZ is reviewing all the products we purchase from our community of suppliers and switching to environmentally responsible products where possible.

We're Committed to Aotearoa

We know our century-long leadership in delivering hot water solutions comes with a profound responsibility, and we also recognise the impact our products have on the limited resources of our planet. That's why we are wholeheartedly committed to protecting our air, water, and natural resources in all aspects of our operations, and will work tirelessly to achieve our bold sustainability goals.



¹ Rheem's goal is to release by 2025 a line of heating, cooling, and water heating products that reduce greenhouse gas emissions by 50% as compared to products available in 2019. Reduction calculations will be based on the products' use phase emissions only and utilise average emission factors to account for variability in electricity grids. Reduction calculations will not consider upstream or manufacturing impacts but use phase emissions account for the majority of the products' impact. At this time, these figures have not been independently verified by a third party.

² Rheem's goal is to reduce greenhouse gas emissions by 50% by 2025 from a 2018 baseline. This metric will be based on intensity emissions normalised by units produced and includes Scope 1, 2, and elements of Scope 3, as defined by the Greenhouse Gas Protocol. At this time, these figures have not been independently verified by a third party.

Progress to Date

REDESIGN RECYCLE REDUCE REUSE

We're Innovating

Rheem Vitreous Enamel-Lined Heaters are more sustainable than ever.

We use Solstice ZD Blowing Agent for foam insulation, which has very low GWP & zero Ozone-Depleting properties.

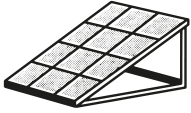
The cylinder's jacket, tank and valves can all be stripped and recycled.

The recyclable cardboard packaging goes only on the top rim of the water heater, meaning there is no unnecessary waste.



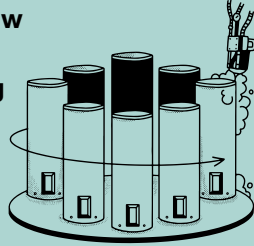
All Vitreous Enamel water heaters' insulation meets or exceeds NZ MEPS (Minimum Energy Performance Standards), reducing the energy demand of the product.

We fit the heaters with a sacrificial magnesium anode to provide additional corrosion protection to the cylinder in adverse water conditions, giving the product a longer life cycle.



We recently installed solar panels on the roof of our Avondale factory, significantly increasing Rheem's dependence on renewable energy.

All foam used has ultra-low Global Warming Potential and zero Ozone Depleting Properties



We are reviewing all the products we purchase from our community of suppliers and switching to environmentally responsible products where possible.

24-hour Waste Sample Size:
Weight – 104.5 kilos

This brochure is printed
on recycled uncoated paper.

If Rheem global hits our targeted 98.8% Diversion Rate, we will save per year:



Trees: 746



Landfill Space: 563 cubic Metres



Litres of Oil: 1,091,966

Rheem is a member of the Sustainable Energy Association of New Zealand, SEANZ.



Sustainable Energy
Association New Zealand

We have formed a sustainability team within our staff who will be driving new initiatives at Rheem

Current Diversion Rate:

84.7%

Estimated Diversion Rate with Ideal Practices:

87.6%

Estimated Diversion Rate with Ideal Practices & New Diversion Streams:

98.8%

* Calculated using 12 months of global data (January 2022 – December 2022)

We've installed energy saving LED lighting and power factor correction devices in the factory, stores, despatch, and warehouse.

We are working on three of the UN's Sustainability Development Goals:



SDG 4
Quality
Education



SDG 7
Affordable &
Clean Energy



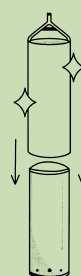
SDG 12
Responsible
Consumption
& Production

We hire and inspire our teams to be next-generation thinkers and responsible stewards of our industry, the greater community and the environment.

65%

of our products have little or no packaging

Proud to support EECA & Ara Ake



Rheem storage water heaters (mains and low pressure) all have recyclable steel jackets



WE'RE DE



FOR ZERO

DESIGNING



TO WASTE

RHEEM WASTE AUDIT



Last year, the Rheem Global Sustainability team joined us and a bunch of generous volunteers to spend three days collecting and counting trash. The occasion: the 2023 Rheem Avondale Waste audit.

It may not be the cleanest of jobs, but the waste audit was an essential part of our overall sustainability strategy. Our goal is zero waste to landfill by 2025, which means we needed to assess how much of our current waste was being recycled in a sustainable way. And as zero waste is a global goal, we were lucky enough to have the Rheem Global Sustainable team fly all the way from America to help us with the audit.

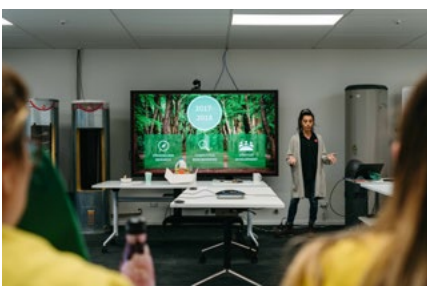
On Wednesday 8th February, the waste audit started at 6am and would continue for 24 hours. The plan was to collect all the waste

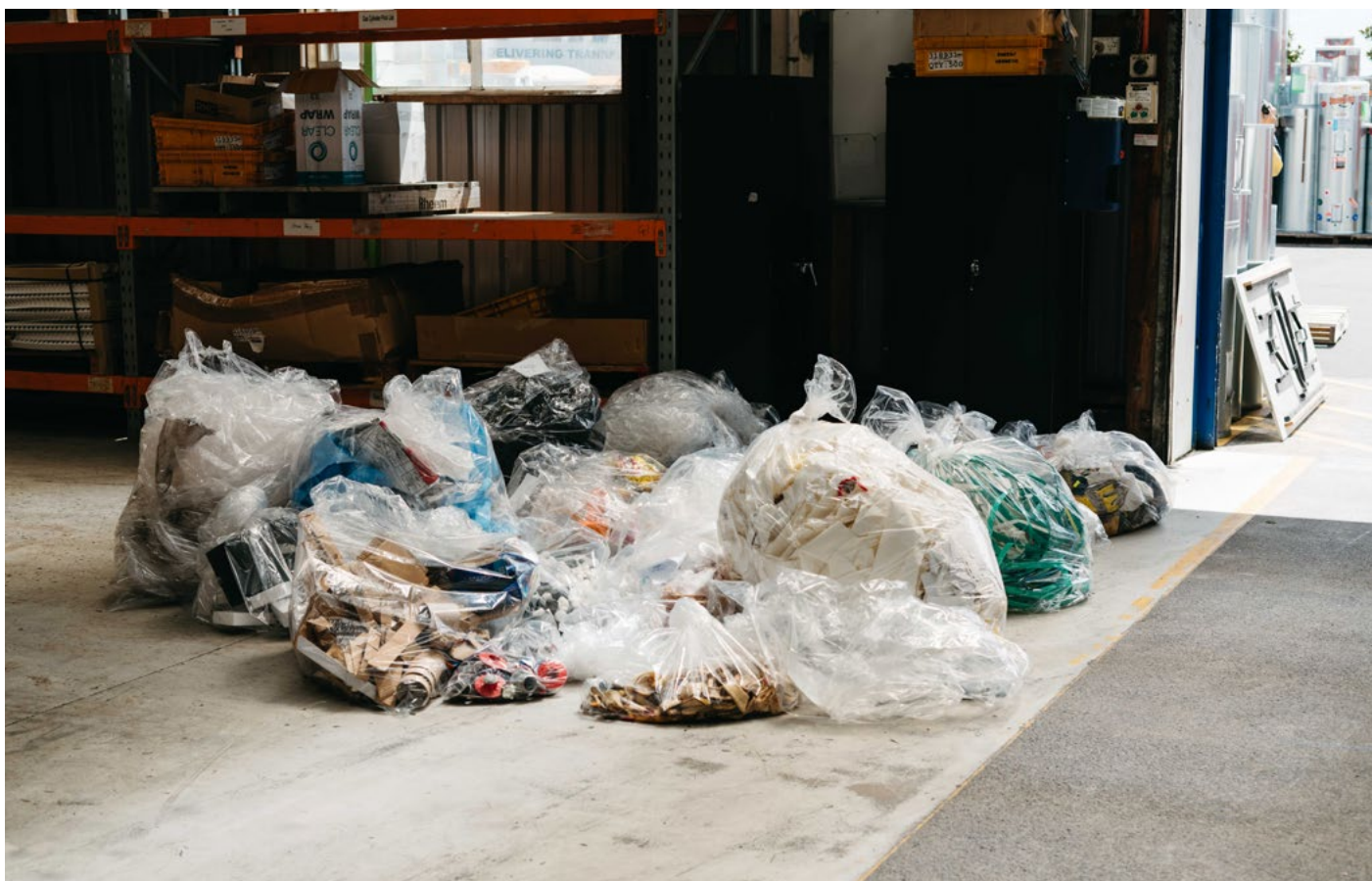
the Rheem Avondale factory and office staff produced in a 24-hour period, and then work out what recycling processes are working well, and where there is room for improvement.

The way we measure the sustainability of our waste management is by calculating the “Diversion Rate”. Simply put, the diversion rate measures the portion of waste not sent to the landfill. The greater the diversion rate, the more sustainable the waste management processes, so tracking the diversion rate over time is a great way to measure the effectiveness of reuse, recycling, and organic composting programs.

On Thursday morning, the 24-hour sample period was complete and we all gathered at 10am to start processing the waste. We were fortunate enough to be joined by a group of wonderful volunteers who helped us sort and document the waste.

With the waste processed, we were finally able to see the results of the audit and discuss our areas for improvement at a ‘lunch & learn’ on the Friday. In short, we collected 105.5kg of waste – three cubic metres – over the 24-hour period.





Most of that waste was able to be diverted with our current recycling streams. This included bottles & cans, cardboard, paper, food, paper towels, metal, plastic wrap and E-waste. The EPS, enamel bags, mixed soft plastics, PPE masks, PPE, plastic plugs & gaskets and foam cutouts can also all be diverted under existing recycling streams.

This was a great start for Rheem Avondale, but still a long way off our goal to have zero waste to landfill. We are dedicated to achieving this goal, so we're currently working hard to find recycling solutions for all our waste.



Rheem Factory Solar Case Study

In 2023, we installed solar panels on the Rheem factory in Avondale. This gave us a chance to see our new Rheem Solar Solutions in action firsthand, while also lowering the overall energy consumption of the factory.

In the month of May, the solar panels produced, on average, 214 kwh per day. To put this in context, the average NZ home uses around 20 kwh per day. This means that Rheem Avondale is now making meaningful use of a renewable energy source, lowering both its carbon footprint and overall impact on the environment. The energy produced by the solar panels also resulted in roughly **\$1395** of savings in May alone – and this was a cloudy, wet month!



Invest in solar. Invest in your future.

SOLAR MADE SIMPLE

Rheem Solar Solutions



Talk to our experts 0800 657 336



Save the Kiwi



Millions of kiwi used to live and thrive throughout Aotearoa, but in just a few hundred years, deforestation and introduced predators have caused this number to rapidly fall. Now, there are only 68,000 kiwi left in New Zealand, and this number continues to decline by 2% every year. Without intervention, our national bird will soon be gone forever. This is why Rheem partners with Save the Kiwi – an organisation dedicated to protecting and preserving New Zealand’s beloved national bird. They work tirelessly to raise awareness, educate communities, and secure the future of kiwi populations across the country.

Save the Kiwi’s flagship kaupapa is the Kōhanga Kiwi programme – a world-leading kiwi repopulation strategy driven by Save the Kiwi that aims to grow the North Island brown kiwi. The programme involves lifting kiwi eggs from the wild and incubating and hatching them in captivity. Chicks are released into predator-free kōhanga (nest) sites when they are about four weeks old, where they’ll live the rest of their days finding a mate and breeding, without fear of predators. When these kōhanga sites reach an estimated half-capacity, the offspring of the original founder population will be either returned to the regions where their ancestors came from or used to bolster existing populations or create new ones.

We have been lucky enough to be involved in some of the kiwi releases at Motutapu and Rotoroa Islands, and can confirm it’s truly a special experience!

We see our partnership with Save the Kiwi as a meaningful way to give back to our community. By sponsoring local kiwi conservation projects, incubation facilities, and education programs, we ensure that every customer who chooses a Rheem water heating product contributes to the protection and preservation of the iconic kiwi.



Rheem proudly supports Save the Kiwi to achieve their goal and take kiwi from endangered to everywhere. If you’d like to take part and help save New Zealand’s national icon, go to **www.savethekiwi.nz/donate** – Your donation will help hatch and raise kiwi chicks in safety, increase kiwi populations, and protect wild kiwi habitat.



Rheem New Zealand Limited

Freephone 0800 657 336 – www.rheem.co.nz
475 Rosebank Road, Avondale 1026, PO Box 19011, Auckland 1746.

All specifications contained in this brochure are subject to change without notice. Please check the specifications are current at the time of ordering.
All information is current at the time of publication.