



NZTech ESG Report

August 2022





HANGARAU KIA ORA TĀTOU KATOĀ | TECH FOR GOOD

Our mission

To support a values-led, nationally connected tech community that is collectively lifting equity, sustainability and prosperity for all in Aotearoa, by creating jobs, export growth and impact through tech for good.

Our vision

An equitable, sustainable and prosperous Aotearoa New Zealand underpinned by good tech.

Our values

CONNECTION WHANAUNGA

We are highly-collaborative and connected. We are a tech whānau.

CARE MANAAKITANGA

We care deeply for people, place and planet and we support each others' aspirations.

INCLUSION MANA TAURITE

We lead with diversity and are globally-recognised for weaving indigenous values and thinking into our Tech.

CREATIVITY UAHATANGA

We are an innovative, impact-driven community - we focus on missions of impact that lift people, place and planet.

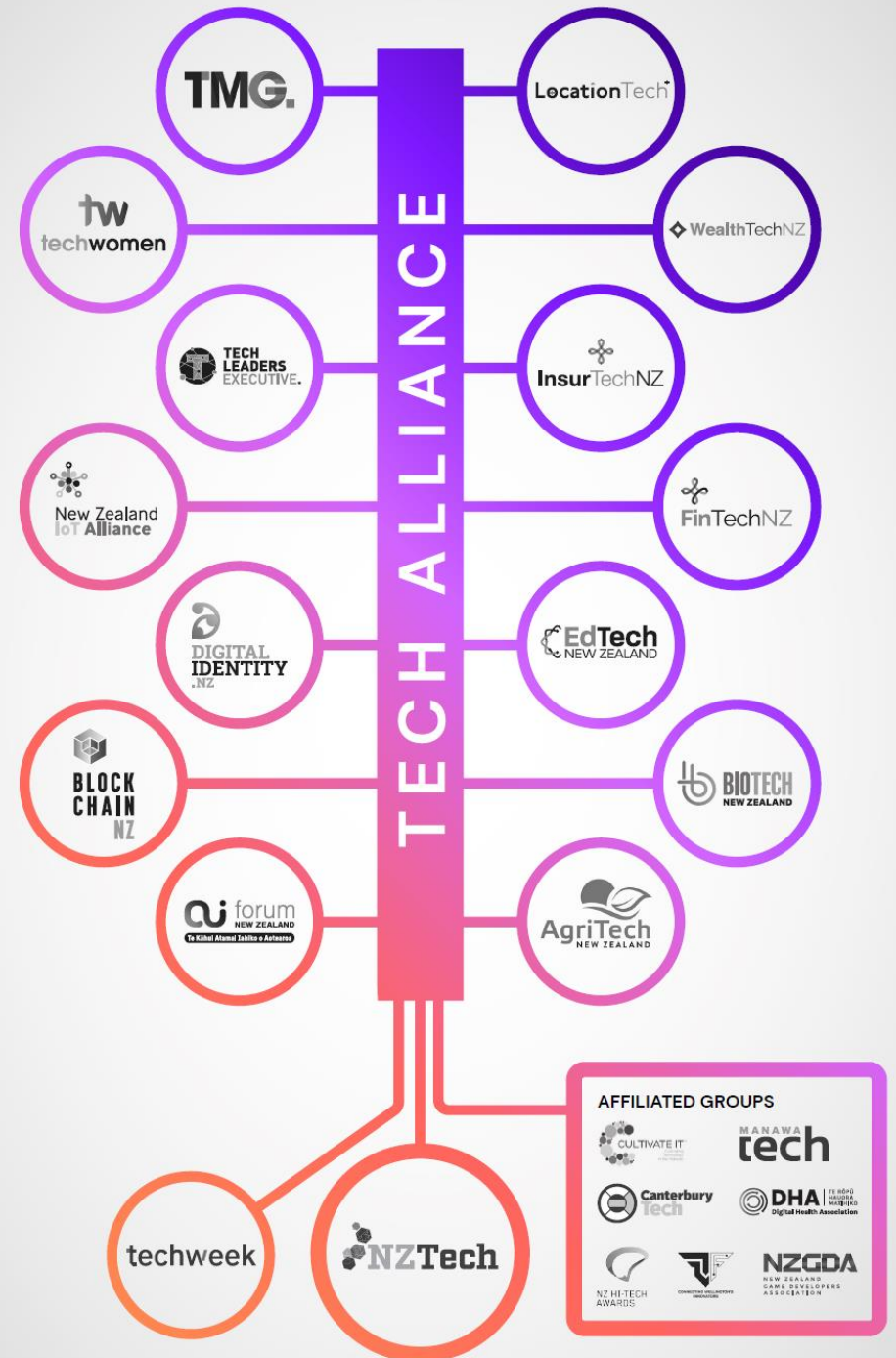
LEADERSHIP RANGATIRATANGA

We work together with integrity and ambition to lead the world in tech for good.



NZTech brings together the New Zealand Tech Alliance, a collection of purpose driven, not-for-profit, non-governmental associations that are funded by members that care about the impact of technology on New Zealand.

Creating Collective Impact



Executive Summary

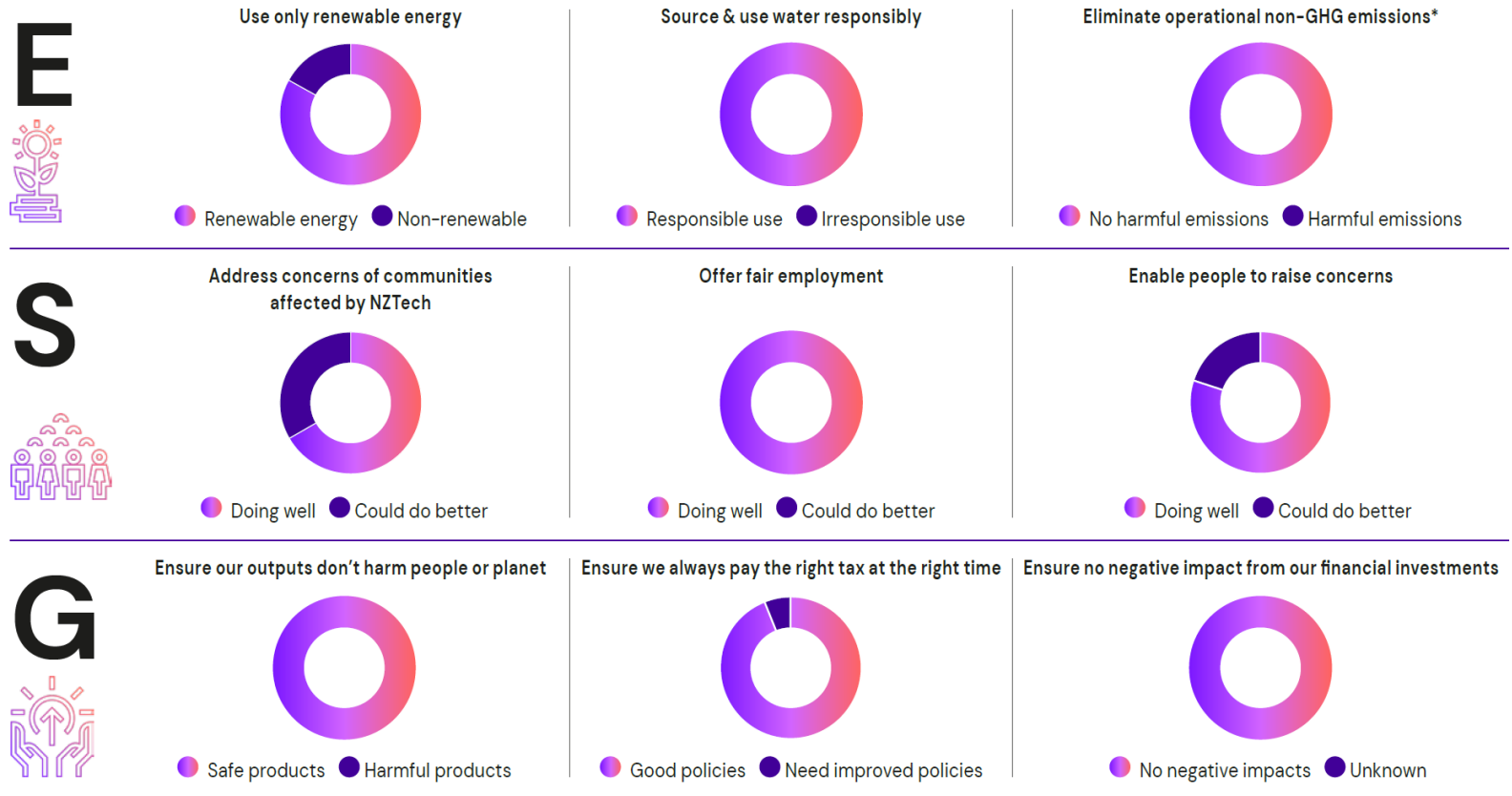
As one of its key targets, the NZTech Sustainability Sub-board has identified an international tool to help NZTech assess its climate impact.

The Future-Fit Business Benchmark brings together a wealth of global research into a tool that enables businesses to assess and monitor not only their climate impact, but also their social impact. Using this online tool we have assessed NZTech across multiple ESG elements.

The results below represent a small sample of the insights.

The analysis identified that while NZTech is operating with good intent there are a lack of formal documented policies and a structure to support the growing staff.

The key recommendations are to undertake a carbon audit and the establishment of an HR system and policies.



*Greenhouse gas (GHG) emissions not include in baseline year. Our unaudited GHG emissions were 581kg CO2e for scope 1&2 emissions.



NZTech Sustainability Plan on a Page

CONNECT



Internal

1. Connecting our board with the Executive Councils of NZTech Group associations and our members on the role of tech in environmental sustainability.

External

8. Update website with statement on environmental sustainability sub-board
9. Create a external statement to share with the Tech Alliance and partners on environmental sustainability

PROMOTE



2. Establish Environmental Sustainability leads on the Executive Councils within the NZTech Group.
3. Coach the Environmental Sustainability leads on opportunities within their control.

10. Communicate external resources available on the topics related to environmental sustainability that may be useful to our member organisations.
11. Investigate partnerships and joint initiatives with other groups pursuing the environmental sustainability agenda.

ADVANCE



4. **Identify and test an international tool to assess NZTech's ESG and start reporting on this within our annual report.**
5. Conduct an environmental sustainability survey to measure industry engagement.
6. Create actions based on the survey results for specific areas of importance.
7. Provide key partners with support to further our environmental sustainability agenda.

12. Test ESG tool externally with a few friendly organisations.
13. Roll out NZTech-wide ESG tool to help individual organisations measure their current state and set goals for improvement and; collate that data to get an industry wide baseline for environmental sustainability across New Zealand tech.
14. Decide where NZTech should 'play' in the broader environmental sustainability space.

Future-Fit Benchmark

BACKGROUND

The NZTech Sustainability Sub-board has identified an international tool to help NZTech assess its climate impact.

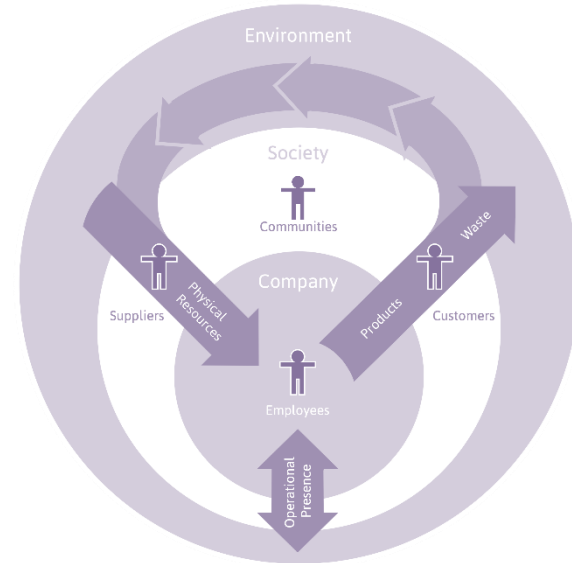
While assessing options the Sustainability Sub-board opted for the [Future Fit Business Benchmark](#) as it not only covers climate sustainability measures, it provides a full environmental, social and governance (ESG) framework.

ABOUT FUTURE-FIT

The Future-Fit Foundation is a UK based charity that exists to help business build a better world.

There is a wealth of literature existing on how our economic system has to change. But companies and investors are struggling to make sense of what it all means for them. The Future-Fit Foundation collate and curate the most credible and robust third-party resources into one unified methodology – the Future-Fit Business Benchmark – that any business can use to guide, measure and report on real progress. They have translated science into principles, goals, indicators and guides to help any business play its part in getting us to a more sustainable future.

To avoid greenwashing, the Future-Fit Benchmark also maps to the Sustainable Development Goals (SDG's). This allows businesses to stress test their outcomes against the SDG's.



HOW IT WORKS

The Future-Fit Business Benchmark is published under a Creative Commons license and is free to use. It is accessible via a free online tool with multiple supporting guides.

The Future-Fit Business Benchmark introduces two key concepts: Break-Even Goals and Positive Pursuits.

Break-Even Goals represent the line in the sand every business must strive to reach to be sure it is not slowing down progress to a flourishing future.

Positive Pursuits identify the socially beneficial and environmentally restorative outcomes any business may pursue to speed up their progress.

Future-Fit Break-Even Goal	Break-Even means...	Score (%)	Commentary	Recommendations
BE01 Renewable Energy	Use only renewable energy	83	Score derived from total consumption in offices only (5 mWh and grid average renewable power of 83%).	Consider including an estimate of energy usage by employees and contractors working offsite. Consider asking landlord to switch to a 100% renewable contract e.g. Ecotricity or Meridian Certified Renewable Energy.
BE02 Water Use	Source and use water responsibly	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	
BE03 Natural Resources	Manage natural resources owned by NZTech sustainably	NA	NZTech does not own or manage any natural resources so this Break-Even Goal does not apply.	
BE04 Procurement	Avoid adverse impacts caused by the products consumed by NZTech	Pending	To be discussed	A top level evaluation of the main products and services procured would help to clarify the effort required to complete this Break-Even Goal.
BE05 Operational Emissions	Eliminate harmful emissions of solids, liquids and gases	100	NZTech does not generate harmful emissions.	
BE06 Operational GHGs	Minimise and offset greenhouse gas emissions from NZTech activities	No score baseline year	NZTech was responsible for 581kg CO2e scope 1 & 2 emissions in the baseline year through electricity consumption (see BE01). The Benchmark score is based on future progress against this baseline.	Progress could be made by switching to a 100% renewable contract e.g. Ecotricity or Meridian Certified Renewable Energy; or purchasing carbon offsets from a reputable provider.
BE07 Operational Waste	Minimise waste generated by NZTech activities	No score baseline year	NZTech was responsible for 60 bags (~400kg) of office waste in the baseline year. The Benchmark score is based on future progress against this baseline.	Progress could be made by working with staff, contractors and landlord to reduce single use items and improve recycling.
BE08 Operational Encroachment	Ensure NZTech sites cause no harm to people or planet	NA	NZTech has no operations that encroach on ecosystems so this Break-Even Goal does not apply.	

Future-Fit Break-Even Goal	Break-Even means...	Score (%)	Commentary	Recommendations
BE09 Community Health	Anticipate, avoid and address the concerns of the communities whose wellbeing may be affected by NZTech activities.	70	There is scope to improve website accessibility and complaints feedback mechanisms in addition to the current general contact form.	Consider process and cost for improving accessibility of website and other comms. Consider a neutral and independent complaints escalation/resolution policy.
BE10 Employee Health	Safeguard the health of NZTech people.	0	NZTech has a culture of supporting employee health and wellbeing but little formal policy on this.	Introduce HR systems and processes including enabling employee feedback in a safe environment.
BE11 Living Wage	Pay all NZTech people at least a living wage.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	
BE12 Fair Employment Terms	Offer fair employment terms to all NZTech people.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded for employees (contractors not included).	
BE13 Employee Discrimination	Ensure NZTech people are not subject to discrimination.	0	Work is underway on diversity and inclusion but at present there are no formal policies in place.	Introduce HR systems and processes including enabling employee feedback in a safe environment.
BE14 Employee Concerns	Enable NZTech people to raise concerns and be heard.	100	There is a strong culture of openness and consultation at NZTech. This could be strengthened further with supporting policy documentation.	Introduce HR systems and processes including enabling employee feedback in a safe environment.

Future-Fit Break-Even Goal	Break-Even means...	Score (%)	Commentary	Recommendations
BE15 Product Communications	Ensure NZTech customers understand how to derive value from membership.	100	Considerable effort is invested in ensuring members are aware of their benefits and deriving value from membership of the association.	Continue to improve ways of making member value tangible and accessible.
BE16 Product Concerns	Solicit and act on customer feedback	100	Feedback from members is proactively solicited and acted on.	
BE17 Product Harm	Ensure NZTech outputs do no harm to people or planet.	100	NZTech outputs are of a generally intangible with little or no physical footprint.	
BE18 Product GHGs	Avoid creating products that create greenhouse gas emissions.	100	NZTech outputs are of a generally intangible with little or no physical footprint.	
BE19 Product Repurposed	Ensure any physical products supplied can be re-used or recycled at end of life.	NA	NZTech does not produce physical products so this Break-Even Goal does not apply.	
BE20 Business Ethics	Anticipate and avoid ethical breaches that may arise from NZTech activities.	0	Aside from a conflicts of interest register for Board members, NZTech lacks formalised policy aimed at minimising risks associated with business ethics.	Review and improve development and management of policies. Consider HR system to enable this.
BE21 Right Tax	Pay the right tax at the right time in the right place.	94	All criteria met except that the NZTech lacks an explicit statement referring to not using low or no-tax jurisdictions for the primary purpose of minimising taxes.	Introduce formal policy statements regarding taxes.
BE22 Lobbying & Corporate Influence	Only use influence to support society's progress toward future-fitness.	0	NZTech lacks formalised policy on lobbying and corporate influence although the Association is explicit that lobbying on behalf of individual members is not within its remit.	Introduce formal policy statements regarding lobbying.
BE23 Financial Assets	Anticipate and avoid negative impacts from investment of financial resources.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	

ESG Action Plan

The outcome of this first annual review of NZTech's operations against an internationally accepted benchmark has identified several areas for improvement. Each section will be overseen by the relevant NZTech Sub-Board.

SUSTAINABILITY BOARD

1. Aim to move to fully 100% renewable energy.
 - i. Negotiate with building lease holder regarding conversion to a 100% renewable contract e.g. Ecotricity or Meridian Certified Renewable Energy.
 - ii. Look into to getting a verified carbon footprint and an emissions reduction plan aiming for net carbon zero.
2. Conduct initial high level review of procurement impact.
 - i. Assess where the cloud services we use are based and what's the renewables percentage of the electricity grid there.
 - ii. Assess the ESG policies of our events partners.

D&I BOARD

3. Review the process and cost for improving accessibility of website and other comms.

GOVERNANCE BOARD

4. Introduce an HR system to provide more support for employees including:
 - i. Enabling inclusive employee feedback in a safe environment.
 - ii. Developing formal HR policies and ensuring inclusive processes for all employees and partners.
5. Develop policies for ethics, lobbying, taxes and other relevant governance policies and add them into a future HR system as part of on-boarding of staff.

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