

NZTech ESG Report

August 2023

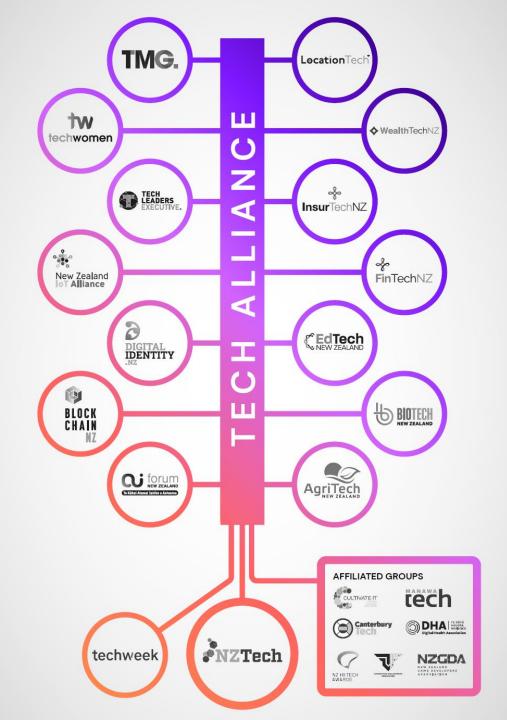






NZTech brings together the New Zealand Tech Alliance, a collection of purpose driven, not-for-profit, non-governmental associations that are funded by members that care about the impact of technology on New Zealand.

Creating Collective Impact





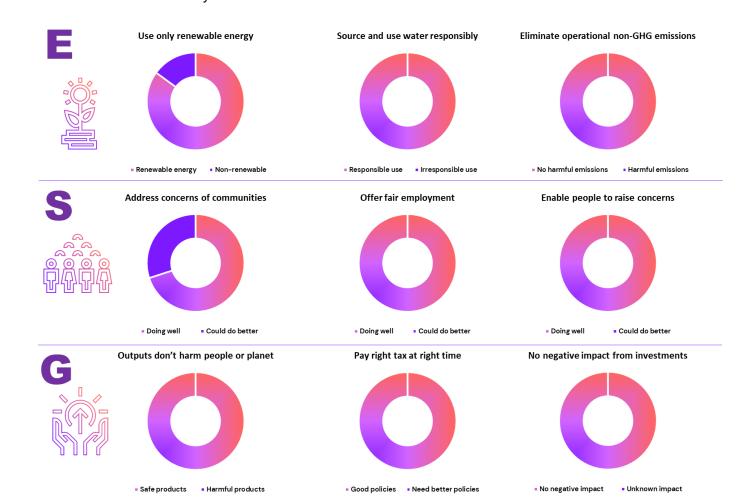
Executive Summary

NZTech is using the Future-Fit Business Benchmark as a tool to measure and improve the organisation and its impact on people and planet.

The results below represent a small sample of the insights from our 2023 analysis, showing improvements from the baseline measurement year in 2022.

Improvements have been possible due to the introduction of better policies and procedures.

Two key recommendations to improve further are to switch to 100% renewable energy and to embed the new HR policies with processes for review.





*NZTech Future-Fit Benchmark

BACKGROUND

In 2022 the NZTech Sustainability Sub-board identified an international tool, the <u>Future-Fit Business</u> <u>Benchmark</u>, to help NZTech assess its climate and other ESG impacts. Our first ESG report was published in August 2022 and can be downloaded free of charge form the NZTech website.

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.

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.

DEALING WITH THE NEGATIVE

To date, NZTech has reported on sustainability in terms of the extent to which it might be causing harm to people or planet and what we are doing to address any shortcomings.

NZTech is using the Future-Fit Break-Even Goals to do this. 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. This is represented by the box in the lower left quadrant of the diagram on the following page. Our detailed Break-Even Goals results are included at the end of this report.

CELEBRATING THE POSITIVE

Break-Even Goals are an excellent start but along with addressing potential negative impacts on sustainability, NZTech has decided it should celebrate any positive contributions it's making. We can do this by using the Future-Fit Benchmark Positive Pursuits.

The Future-Fit Benchmark includes 24 Positive Pursuits. These identify the socially beneficial and environmentally restorative outcomes any business may pursue to speed up our progress towards a flourishing future.

In 2023 the Sustainability Sub-Board decided to introduce the concept of Positive Pursuits via a simple matrix diagram (on the following page) that describes examples of our positive impact. The full Future-Fit Positive Pursuits evaluation methodology has not yet been undertaken on these examples.



*NZTech Future-Fit Matrix

Positive Impact

Create positive impact

by fostering wellbeing or restoring the environment.

- NZTech's Tech Women Community
- NZTech's ShadowTech for Girls
- Tech Women Mentoring Circles

Amplify the positive impact of others by helping them take action to foster wellbeing or restore

NZTech's support of the multiple groups in the Tech Alliance

the environment.

Direct Impact

Eliminate our own negative impact by avoiding all actions that

undermine wellbeing or degrade the environment.

 NZTech's Business Ethics and Inclusion policies

Reduce the negative impact of others

by helping them avoid actions that undermine wellbeing or degrade the environment.

- NZTech's research and data sharing
- NZTech sharing tools and processes beyond the Tech Alliance

Negative Impact

Indirect Impact

Future-Fit Break-Even Goal	Break-Even means	Score (%)	Commentary	Recommendations
BE01 Renewable Energy	Use only renewable energy	1 85	Slight improvement due to updated MfE grid average figures for renewable energy.	Recommend NZTech asks the landlord to switch to a 100% renewable contract.
BEO2 Water Use	Source and use water responsibly	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	
BEO3 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	Few physical items procured.	Recommend NZTech assesses the sustainability performance of its cloud computing service providers.
BEO5 Operational Emissions	Eliminate harmful emissions of solids, liquids and gases	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	
BE06 Operational GHGs	Minimise and offset greenhouse gas emissions from NZTech activities	0	Although NZTech consumed slightly less energy than in the previous year, emissions were unchanged at 579 kgCO2e because the grid average emissions per kWh were slightly higher.	Recommend NZTech asks the landlord to switch to a net carbon zero contract.
BEO7 Operational Waste	Minimise waste generated by NZTech activities	0	NZTech was responsible for around 400kg of landfill waste, the same as the previous year.	Recommend NZTech initiates a waste minimisation initiative.
BEO8 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
BEO9 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.	Recommend including a specific complaints feedback mechanism on the website and developing a complaints resolution policy.
BE10 Employee Health	Safeguard the health of NZTech people.	0	NZTech has a de facto culture of supporting employee health and wellbeing.	Recommend formalising this in an H&S policy.
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.	
BE13 Employee Discrimination	Ensure NZTech people are not subject to discrimination.	1 50	Score improved due to the introduction of a new policy in this reporting period.	Recommend documenting actions taken to address any issues and adding a process for reviewing the effectiveness of the policy.
BE14 Employee Concerns	Enable NZTech people to raise concerns and be heard.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	





Future-Fit Break-Even Goal	Break-Even means	Score (%)	Commentary	Recommendations
BE15 Product Communi- cations	Ensure NZTech customers understand how to derive value from membership.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	
BE16 Product Concerns	Solicit and act on customer feedback	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	
BE17 Product Harm	Ensure NZTech outputs do no harm to people or planet.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	
BE18 Product GHGs	Avoid creating products that create greenhouse gas emissions.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	
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.	100	Score improved due to the introduction of a new policy in this reporting period. All Future- Fit criteria for this Break-Even Goal now met or exceeded.	
BE21 Right Tax	Pay the right tax at the right time in the right place.	1 00	Score improved due to the introduction of a new policy in this reporting period. All Future- Fit criteria for this Break-Even Goal now met or exceeded.	
BE22 Lobbying & Corporate Influence	Only use influence to support society's progress toward future- fitness.	100	Score improved due to the introduction of a new policy in this reporting period. All Future- Fit criteria for this Break-Even Goal now met or exceeded.	
BE23 Financial Assets	Anticipate and avoid negative impacts from investment of financial	100	All Future-Fit criteria for this Break-Even Goal met or exceeded.	



resources.





ESG Action Plan

The outcome of this second annual review of NZTech's operations against an internationally accepted benchmark has identified several areas of improvement. However, there continues to be opportunities for further improvement.

Environmental

- 1. Aim to move to fully 100% renewable and net carbon zero energy.
- 2. Conduct initial high level review of procurement impact by assessing performance of cloud providers.
- 3. Initiate a waste minimisation initiative.

Social

- 4. Introduce a specific complaints feedback mechanism on the website and develop a complaints resolution policy.
- 5. Formalise our culture of supporting employee health and wellbeing by introducing a H&S policy.
- 6. Document actions taken to address any issues and add a process for reviewing the effectiveness of the Diversity & Inclusion policy.

Governance

7. Annual review of policies to ensure still fit for purpose.

Positive Pursuits

8. Explore the Positive Pursuits methodology for evaluating the impact of NZTech.

Helping to create a more equitable, sustainable and prosperous
Aotearoa New Zealand underpinned by good tech.



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