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NZTech

Annual ESG Report

September 2024



NZTech

THE NZTECH GROUP IS AOTEAROA NEW ZEALAND'S LARGEST TECH ASSOCIATION, WORKING TOGETHER TO CREATE A POSITIVE COLLECTIVE IMPACT

15 tech communities, representing 2,500 members and more than 10% of the workforce





THE UNITED VOICE FOR TECHNOLOGY
IN AOTEAROA NEW ZEALAND,
ENABLING TECH FOR GOOD

Supporting a Sustainable Tech Ecosystem

NZTech's mission is to support a values-led, nationally and internationally connected tech community that is collectively lifting safety, equity, sustainability, and prosperity for all in Aotearoa New Zealand. We aspire to become a Future-Fit Business because we believe that our long-term success is tied to the value we provide to society.

Although our direct physical footprint is small, we recognise that we still have a responsibility to strive to do no harm to people or planet in the course of our work. Since 2022 we have been using the Future-Fit Business Benchmark to assess and improve our performance in environmental, social, and governance terms. This has enabled us to identify, prioritise and address shortfalls and we are committed to continuing our Future-Fit journey.

Purpose and profitability now go hand in hand, NZTech works to help accelerate that journey.

Executive Summary

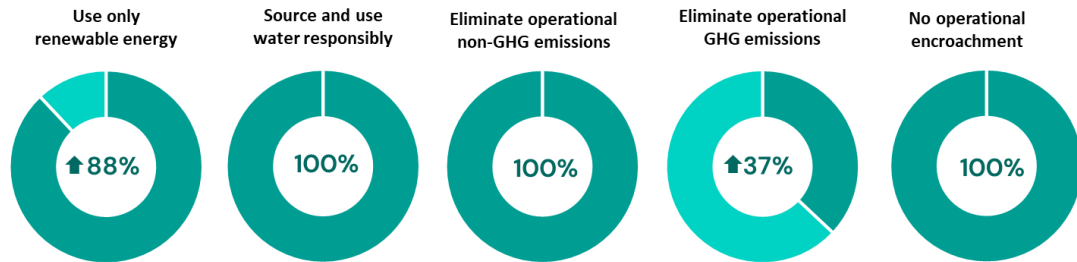
NZTech is using the Future-Fit Business Benchmark as a tool to measure and improve the organisation and its impact on people and planet. The results below represent a sample of the insights from our 2024 analysis.

Improvements have been possible due to the introduction of better policies and increasing use of renewable energy.

Key recommendations for further improvement include improving processes to avoid employee discrimination and waste elimination.



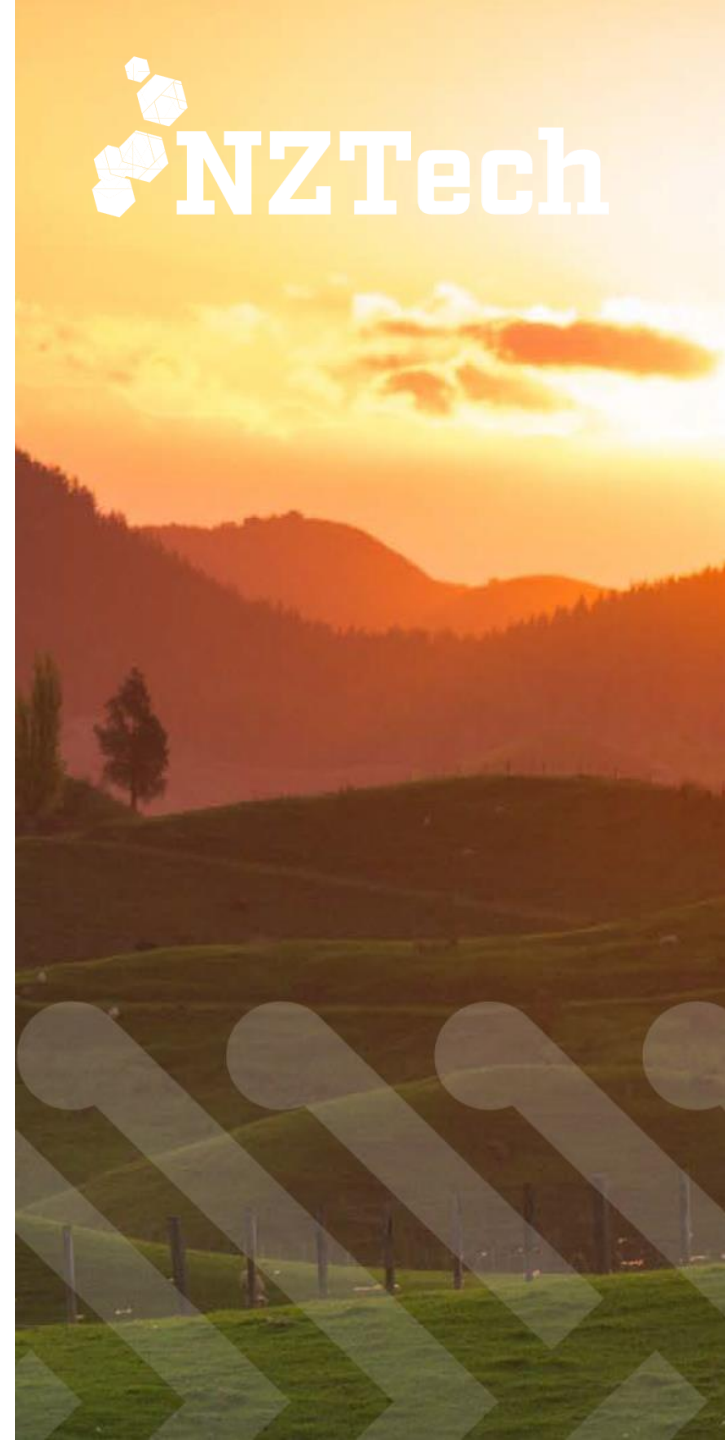
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The Future-Fit Benchmark

We recognise that significant opportunities exist for the NZTech Group to create positive impact, and speed up society's transition to future-fitness, through the leadership and support we offer to our members.

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 Benchmark introduces two key concepts: Break-Even Goals and Positive Pursuits.

BREAK-EVEN GOALS

The NZTech Group is using the Future-Fit Break-Even Goals to report on sustainability in terms of the extent to which we might be causing harm to people or planet and what we are doing to address any shortcomings.

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. Our detailed Break-Even Goals progress is included within this report.



OUR POSITIVE PURSUITS

The NZTech Group is also working to celebrate any positive contributions it is making. To do this we are exploring the Future-Fit Positive Pursuits as a methodology to evaluate and describe the positive impact we are creating to enable a safer, more equitable, sustainable, and prosperous Aotearoa New Zealand.

We will lead by example and encourage other businesses to do the same by continuing to share our progress annually through our Annual ESG Report.



Break-Even Goals

Future-Fit Break-Even Goal	Break-Even means...	Score (%)	Commentary
BE01 Renewable Energy	Use only renewable energy	 88	Another slight improvement year on year due to improved grid average figures for renewable energy. Note that from 1 April 2024 NZTech's landlord switched to a 100% renewable electricity contract, which will lift this score to 100% for the 2024/25 reporting year.
BE02 Water Use	Source and use water responsibly	100	All Future-Fit criteria for this Break-Even Goal met or exceeded once again.
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	NZTech has commenced a review of its procurement and it is recommended that this is completed in time for the 2024/25 reporting year.
BE05 Operational Emissions	Eliminate harmful emissions of solids, liquids and gases	100	All Future-Fit criteria for this Break-Even Goal met or exceeded once again.
BE06 Operational GHGs	Minimise and offset greenhouse gas emissions from NZTech activities	 37	An improvement over the baseline year despite NZTech consuming 3% more energy in 2023/24 than in the baseline year (2021/22) due to lower grid average emissions per kWh for generation and distribution. Note that from 1 April 2024 NZTech's landlord switched to a carbon positive renewable electricity contract, which will lift this score to 100% for the 2024/25 reporting year.
BE07 Operational Waste	Minimise waste generated by NZTech activities	0	No change. NZTech was responsible for around 400kg of landfill waste in 2023/24, the same as the baseline year (2021/22). Recommend NZTech initiates a waste minimisation initiative.
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.

Break-Even Goals

Future-Fit Break-Even Goal	Break-Even means...	Score (%)	Commentary
BE09 Community Health	Anticipate, avoid and address the concerns of the communities whose wellbeing may be affected by NZTech activities.	↑ 100	Score improved since 2022/23 due to website changes and the introduction of a clear complaints policy, all Future-Fit criteria for this Break-Even Goal are now met or exceeded.
BE10 Employee Health	Safeguard the health of NZTech people.	↑ 80	Score improved since 2022/23 due to introduction of revised H&S policy. Recommend including explicit reference to mental health provisions in the H&S policy or elsewhere.
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 once again.
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 once again.
BE13 Employee Discrimination	Ensure NZTech people are not subject to discrimination.	→ 50	No change. Policy in place but 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 once again.

Break-Even Goals

Future-Fit Break-Even Goal	Break-Even means...	Score (%)	Commentary
BE15 Product Communications	Ensure NZTech customers understand how to derive value from membership.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded once again.
BE16 Product Concerns	Solicit and act on customer feedback	100	All Future-Fit criteria for this Break-Even Goal met or exceeded once again.
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 once again.
BE18 Product GHGs	Avoid creating products that create greenhouse gas emissions.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded once again.
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	All Future-Fit criteria for this Break-Even Goal met or exceeded once again.
BE21 Right Tax	Pay the right tax at the right time in the right place.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded once again.
BE22 Lobbying & Corporate Influence	Only use influence to support society's progress toward future-fitness.	100	All Future-Fit criteria for this Break-Even Goal met or exceeded once again.
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 once again.



Positive Pursuits

A Future-Fit society protects the possibility that humans and other life will flourish on Earth, by being environmentally restorative, socially just and economically inclusive.

If we are to realize this vision, every business must strive to reach the Future-Fit Break-Even Goals, to ensure it is doing nothing to undermine society's progress toward future-fitness. The NZTech Group is well on the way toward this objective.

We also have the power to do more than just cause no harm, and to be a force for good in the world by working to solve systemic challenges.

Positive Pursuits are designed to guide such efforts, by characterizing the full range of outcomes that actively speed up our collective progress toward future-fitness.

The Future-Fit Matrix figure on the next page offers a high-level description of the kinds of activity that are classified as Positive Pursuits (top and right hand boxes), and how they complement the Break-Even Goals (bottom left box).

Positive Pursuits are not isolated activities conducted in a vacuum, but rather as systemic interventions involving

coordinated action among multiple actors, where the NZTech Group is just one of many participants.

The NZTech Sustainability Sub-Board has started the process of identifying how the NZTech Group may actively contribute to systemic changes that deliver Positive Pursuit outcomes. How not just the NZTech Group, but also our members and the broader tech ecosystem, can work toward ensuring a Future-Fit world.

There are opportunities to help reduce the negative impact of others by enabling others to avoid degrading the environment, or to help them remove barriers to wellbeing for people. Such as work on reducing energy consumption or reducing e-waste.

There are also opportunities to amplify the positive impact of others, by enabling others to restore the environment or to help them remove barriers to wellbeing for people beyond those they are accountable for. Such as coordination across the economy for climate tech uptake, AI for the environment or improving the pathways for more diverse populations into high paid tech careers.

Our journey continues.



The Future-Fit Matrix

Increasing Positive Impact

Create positive impact by fostering wellbeing or restoring the environment.

Tech Women Group.
ShadowTech for Girls.
Mentoring Circles.
AI Environment Hackathon.

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

NZTech's Tech Alliance.
NZTech's Climate Tech Roadmap Framework.

Direct Impact

Indirect Impact

Eliminate our own negative impact by avoiding all actions that undermine wellbeing or degrade the environment.

Future-Fit Break-Even Goals.
NZTech's Diversity, H&S, and Business Ethics policies.

Reduce the negative impact of others by helping them avoid actions that undermine wellbeing or degrade the environment.

NZTech's data sharing.
NZTech's policy sharing.
NZTech's advocacy for digital equity, sustainability & safety.

Reducing Negative Impact



Positive Pursuit: Framework for a Climate Technology Roadmap

To support the creation of a co-ordinated, system-wide approach the NZTech Group has developed a framework that will help support tech driven emissions reductions through better alignment of investment.

Strong Leadership

A successful technology roadmap requires effective coordination and oversight, involving both industry and political support.

Critical Foundations

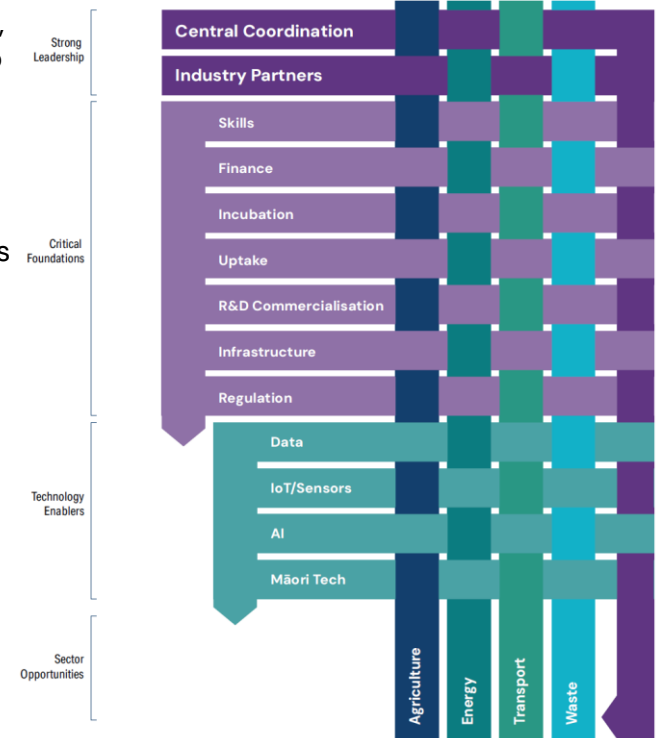
Our research identified seven critical foundations required to support the growth of the technology system in New Zealand. There is already significant investment across all of these so the opportunity is alignment.

Technology Enablers

Several emerging technology enablers are also likely to play a vital role in New Zealand's approach to emissions reduction and should be factored in across all sectors – especially AI.

Sector Opportunities

The ability to take advantage of technology opportunities at a sector level will depend



on readiness of the technology enabling environment. To ensure the right technology for the right sector is in place at the right time sector planning must be coordinated with the critical foundations.



Positive Pursuit: Working to create tech career opportunities for all Kiwis

ShadowTech is a national annual initiative that offers girls in years 9–11 an opportunity to discover the world of tech, spark their curiosity and explore career pathways. Matched with local tech companies, students gain hands-on experiences to imagine their future career, and gain an insight into the varied roles on offer within tech.

ShadowTech has been running since 2014, and is delivered by TechWomenNZ, part of the NZTech group.

TechWomenNZ is a group of passionate New Zealand tech, digital and ICT focused individuals from leading organisations that work together, with the support of NZTech, to help address one of the major challenges for the successful growth of technology in New Zealand – a shortage of women in tech roles.

TechWomen’s work inspires young women to consider careers in technology, supports the growth of women in tech roles and helps develop policy and actions for improving diversity in the tech workplace.

In 2024, more than 1000 secondary school girls took the chance to dive into the tech industry, spending a day at leading tech companies nationwide.

Currently, women make up only 29 percent of New Zealand’s digital IT workforce. We know the diversity challenge begins in education, with only 40 percent of NCEA tech students and 24 percent of IT graduates identifying as female. Initiatives like ShadowTech Day are important in helping break down barriers and dispel myths about tech careers.

Inspiring girls into tech careers

SHADOW

TECH/2024

 **NZTech**

NZTech Sustainability Sub-Board



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Farm Focus

Sub board member



MITCHELL PHAM

CodeHQ

Co Chair



MARK THOMAS

Serviceworks

Co Chair



GRAEME MULLER

NZTech

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ILAN OSHRI

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Sub board member



SHANE KERR

Shane Kerr Consulting

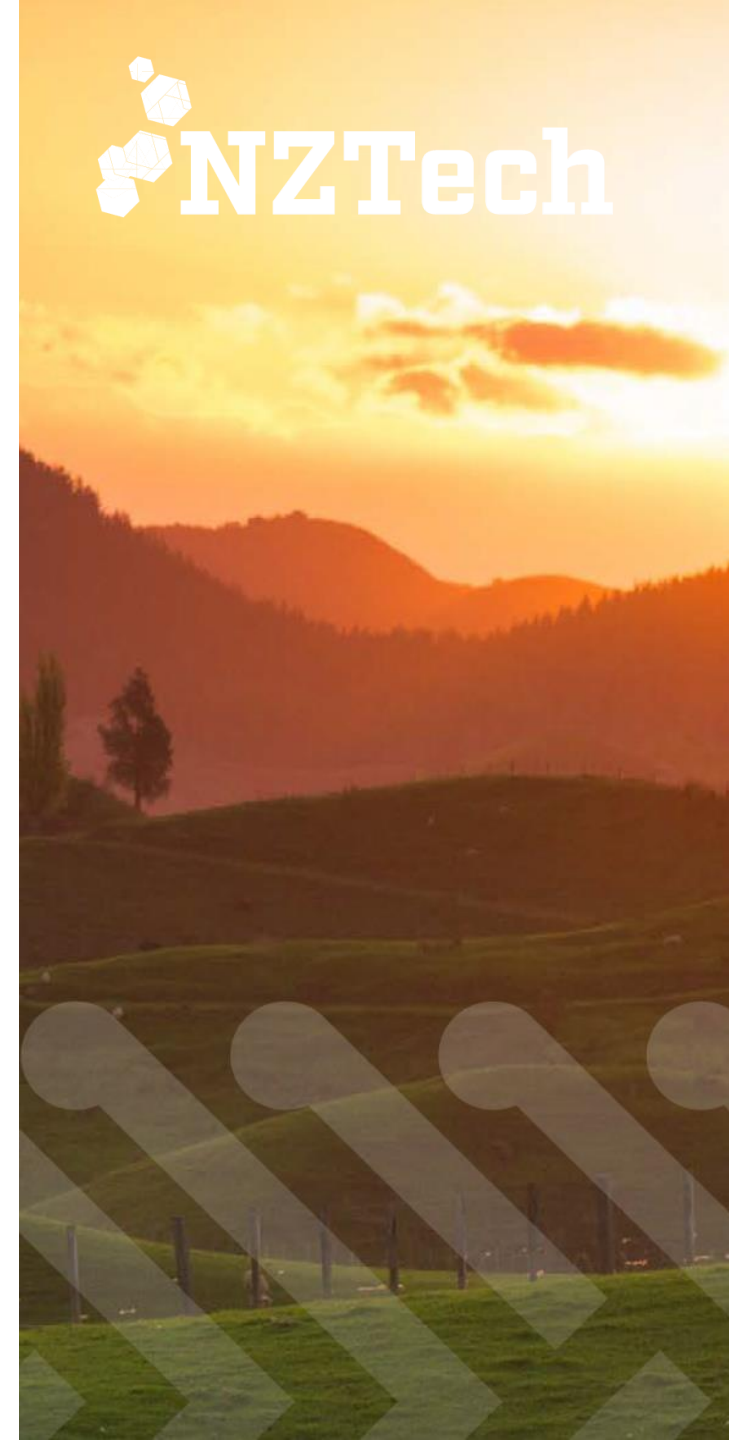
Sub board member



DR TREVOR STUTHRIDGE

Cetogenix

Sub board member





Helping to create a safer,
more equitable, sustainable
and prosperous

Aotearoa New Zealand
underpinned by
good tech.



techweek

