

# BUSINESS SUSTAINABILITY & IMPACT GUIDE

2023



ChristchurchNZ

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# WHO IS THIS GUIDE FOR?

Business leaders, owners and managers wanting to...



understand how a focus on sustainability can create value for their business...



begin developing a strategy and plan for integrating sustainability into their business...



learn about some of the levers and barriers that other businesses have experienced in their own sustainability journeys...

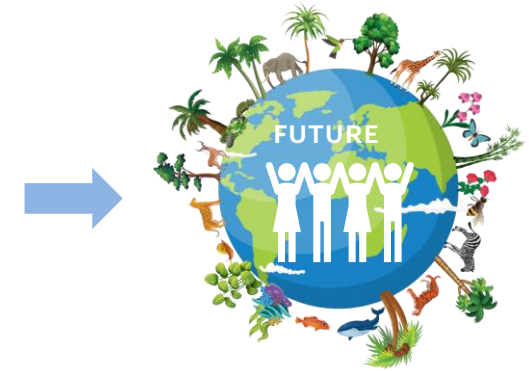


get guidance on which sustainability certifications and frameworks are most useful for their business.

# WHAT DO WE MEAN BY 'SUSTAINABILITY'?

## DEFINITION

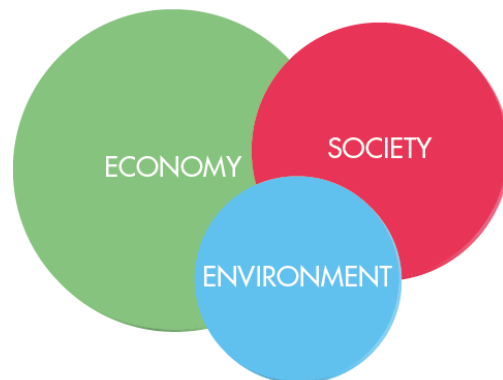
**Profitable enterprise and meaningful work that is good for the environment, and good for people.**



Most of us enjoy a good standard of living. By harnessing natural resources and working together, human society around the world has come a long way in the last 200 years. Yet, whilst great wealth has been created, many people still live in poverty – both here and in other countries; and the natural systems we all depend on are deteriorating and disappearing at alarming rates. Sustainability is about making sure the natural, social and economic systems we depend on are protected for ourselves and future generations, whilst leaving no-one behind. A sustainable future can be described as one that is fair and just, offers economic opportunities for all, and where nature can thrive indefinitely to support Earth's rich web of life.

**We need to think and act differently.**

Our economy, society and the environment should not be thought of as separate things.



They are completely connected and interdependent.

A vibrant economy depends upon a stable and thriving society, and neither society nor the economy can flourish without a healthy environment to underpin them.



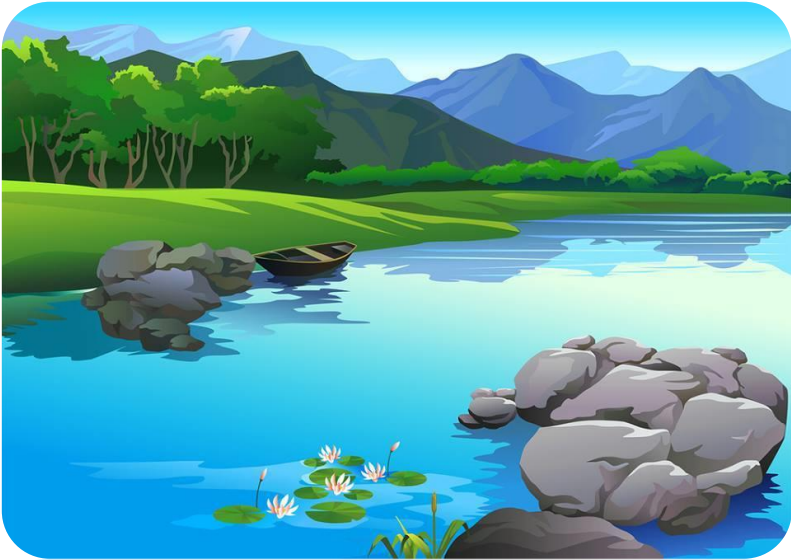
# WHAT DO WE MEAN BY 'SUSTAINABILITY'?

## IMPACTS

### How does your business depend on natural, social and economic systems?

It is likely that your business will have both positive and negative impacts. To understand what we mean by sustainability, let's look at a few examples. When we talk about sustainability, we mean...

#### ...Protecting and restoring freshwater.



Every product you sell and every raw ingredient you buy depends on the availability of freshwater. Freshwater is fundamental for life for everything everywhere. It is used in manufacturing, for transport, to grow food, and to drink!

Can you think of any ways in which products, inputs or activities related to your business may impact freshwater? Let's say I run a business that manufactures and retails clothes...



#### Upstream Impacts

Harmful chemicals may spill into waterways during the dyeing of fabrics that my company purchases. Does the upstream manufacturer have good environmental safeguards in place?



#### Direct Impacts

Our water use is minimal, being only for drinking and basic sanitation. So, whilst we can encourage our people to use water efficiently, the impact is not significant.



#### Downstream Impacts

Plastic microfibre is released from synthetic jackets when they are washed and proceed through water treatment plant filters, ultimately polluting marine and freshwater systems.

# WHAT DO WE MEAN BY 'SUSTAINABILITY'?

## IMPACTS

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#### ...Using renewable energy.



Since we began digging up and burning oil, coal and gas, the world has benefitted hugely from cheap and abundant energy. The energy to build cities, move goods, power our homes, and fly us around the world. Harnessing this fossil energy has completely revolutionized our world. But the carbon dioxide released from burning fossil fuels traps heat in our atmosphere, which causes climate change. Climate change is already creating more extreme weather, heating our oceans, and adversely affecting environmental systems around the world. We must quickly shift to renewable energy, like hydro, wind, and solar.

Can you think of any ways in which products, inputs or activities related to your business may contribute to climate change? Let's say I run a business that imports, distributes and retails wine...



#### Upstream Impacts

Wine imported from Australia will cause far less CO2 emissions than wine imported from France. Air freight should be avoided where possible. Sourcing from closer is better.



#### Direct Impacts

Switching to LED lights and energy efficient fridges across our stores saves an enormous amount of energy and, therefore, money as well as CO2 emissions.



#### Downstream Impacts

Glass can be recycled but the furnaces require a huge amount of energy to melt the glass. If the energy isn't renewable, a significant amount of CO2 is released.

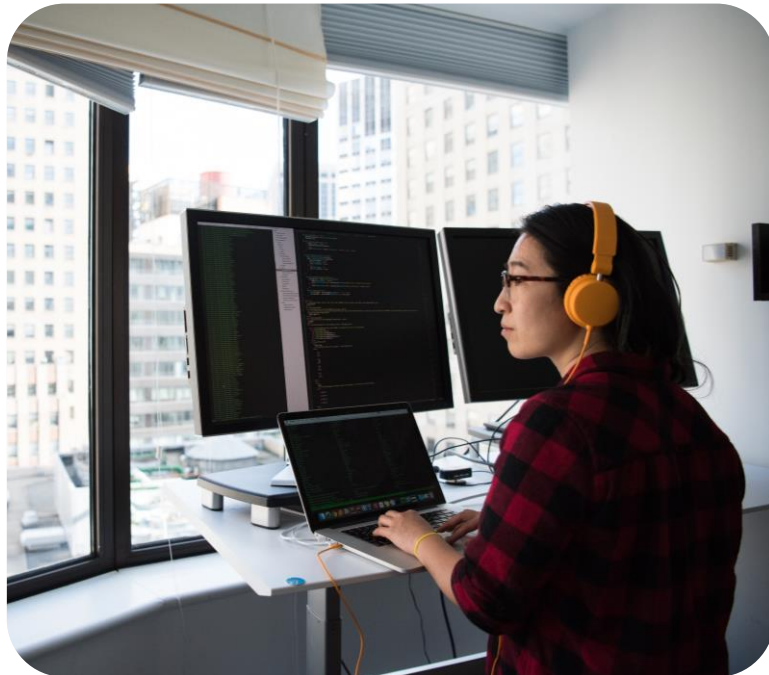
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#### ...Helping people to live healthy and fulfilling lives.



When people are able to meet their fundamental human needs, like nutrition, friendship, safety, participation, creativity, etc., we foster a society that enhances wellbeing and trust. Trust is the cornerstone of a functioning society. When people face barriers to their basic needs, trust begins to erode. Transactions become more challenging, economies become less efficient, and life becomes harder. Importantly, people who can't meet their basic needs aren't going to spend much time thinking about how they can save the environment.

Can you think of any ways in which products, inputs or activities related to your business may help or hinder people to live healthy and fulfilling lives? Let's say I'm the manager of a hotel...



#### Upstream Impacts

By purchasing fair trade goods, we can ensure our consumable items are produced by people paid a decent wage, working in decent conditions.



#### Direct Impacts

We pay all our staff at least the living wage. We also offer \$500 per employee per year for education and development. We also support local causes where we can.



#### Downstream Impacts

By creating a good place to work, our staff are happier and healthier in their personal lives. They contribute to and participate actively in their local communities.

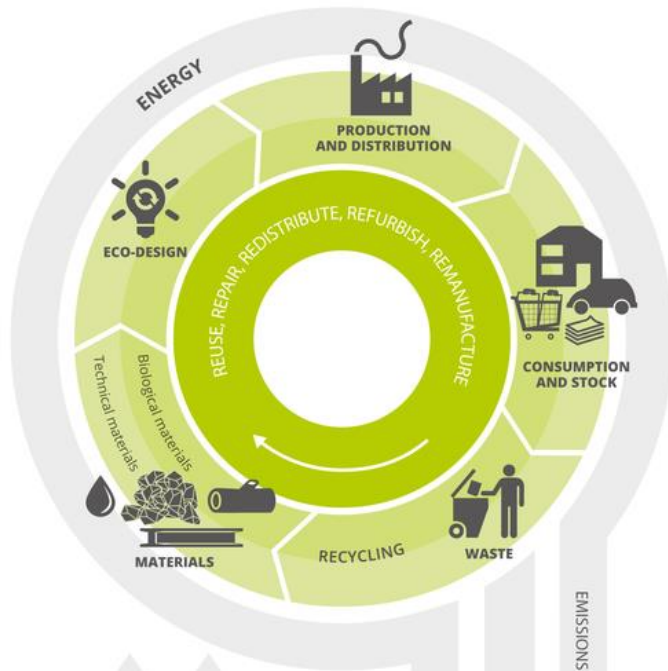
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#### ...Eliminating waste.



The amount of stuff we produce on a given day is mind blowing. Plastics, chemicals, textiles, metals, electronics, appliances, furniture, food, building products and so on. Where does all this stuff go? Too often it ends up at a landfill, where it releases toxins, emits harmful gas and is ultimately wasted. Is the supply of raw materials to make this stuff limitless? No, and digging up raw materials is expensive and can harm ecosystems. What happens when all this stuff enters our soils, waterways, oceans, and our air? Rivers are no longer swimmable, soil loses its fertility, fish species die, our air becomes polluted. We must keep our resources in circulation for as long as possible to be more efficient, less polluting and save costs.

Can you think of any ways in which products, inputs or activities related to your business may create or avoid waste? Let's say I run a business that manufactures fitness equipment...



#### Upstream Impacts

We only use recycled metals, so upstream impacts from mining metals are avoided. We specify recycled plastic where feasible.



#### Direct Impacts

Even with precision cutting, there are still off-cuts and trimmings that we send to landfill. We avoid single-use plastic packaging.



#### Downstream Impacts

We have made our products modular and accessible, which means they can be easily repaired and upgraded. This keeps our products alive for twice as long as our competitors' and reduces waste.

Minimise



EXTRACTION AND IMPORT OF NATURAL RESOURCES, INCLUDING ENERGY CARRIERS



INCINERATION

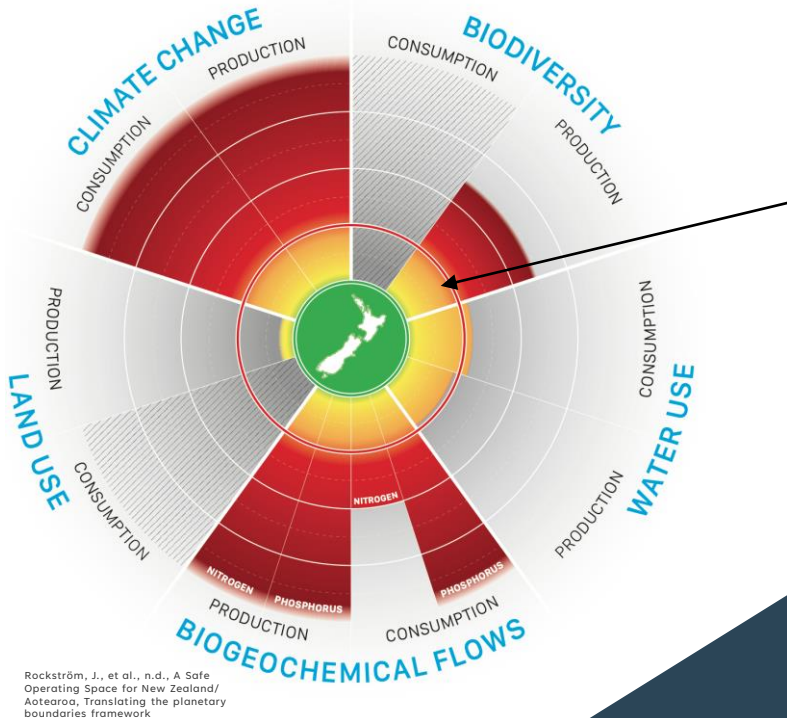


LANDFILL



# WHAT DO WE MEAN BY 'SUSTAINABILITY'?

## FACTS



This inner red circle indicates the safe space within which our activities have an acceptable impact. In **Aotearoa New Zealand**, we currently exceed these safe limits contributing to climate change, biodiversity loss, pollution, and degradation of land and water systems.

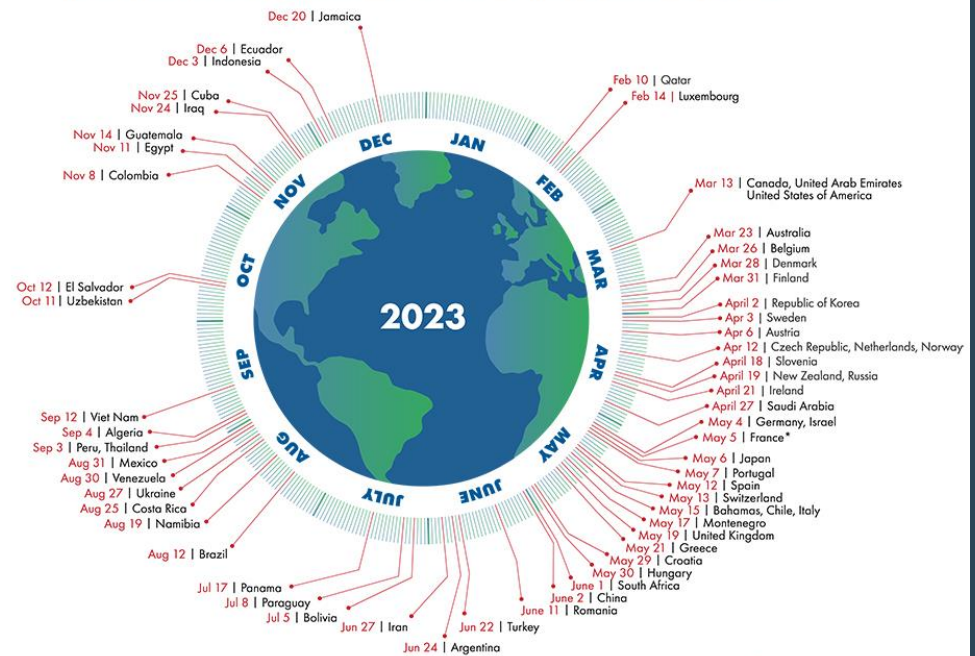
Knowing how your business activities contribute to these pressures is not always obvious. Many of the frameworks we outline later in this guide can help you.

At the **global** level, environmental sustainability can be measured as an ecological footprint. It measures the amount of the Earth's natural resources consumed to support human society. Earth Overshoot day marks the day of the year when the ecological footprint of human society exceeds what the Earth can sustainably replenish.

In 1987 Earth Overshoot day occurred on 23rd October. After that day, humans used more of the planet's resources than the planet could provide - incurring a sort of ecological debt. In 2023, Earth Overshoot day occurred almost three months earlier on 2<sup>nd</sup> August - so the situation has deteriorated, rather than improved, over the last 35 years. For Aotearoa New Zealand, Overshoot day occurred on 19<sup>th</sup> April 2023. If everyone lived like us, we'd need the equivalent of three Earths to live within environmentally sustainable limits!

## Country Overshoot Days 2023

When would Earth Overshoot Day land if the world's population lived like...



For a full list of countries, visit [overshootday.org/country-overshootdays](https://overshootday.org/country-overshootdays).  
\*French Overshoot Day based on nowcasted data. See [overshootday.org/france](https://overshootday.org/france).

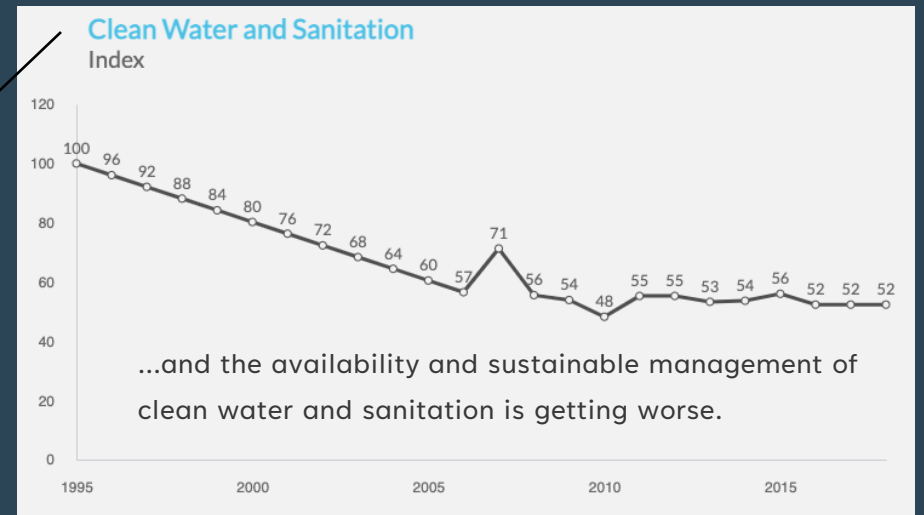
Source: National Footprint and Biocapacity Accounts, 2022 Edition  
[data.footprintnetwork.org](https://data.footprintnetwork.org)



# WHAT DO WE MEAN BY 'SUSTAINABILITY'?

## FACTS

The United Nations Sustainable Development Goals provide a broader [indication](#) of our progress towards sustainability. Aotearoa New Zealand has adopted these goals. We have made progress but in some areas we need to do more.



Achieving the SDGs is about creating a more resilient and healthy society; and businesses can help. The more we apply ourselves, the easier sustainability gets and the brighter our future becomes for all!

# WHY SHOULD BUSINESSES ADDRESS SUSTAINABILITY ISSUES?

## CUSTOMER DEMAND

Increasingly, consumers and business customers demand products and services that demonstrate good ethics, sustainability and social responsibility. Green-washing (over-inflated or false sustainability claims), whether intentional or not, can cause serious harm to reputation and goodwill.

## AVOID RISK

Domestic and international regulation is tightening the baseline requirements for business sustainability performance. Banks and insurers are applying higher costs where sustainability risks are not addressed. And people's values are changing their spending patterns. Proactively managing these risks is easier, cheaper, and avoids unnecessary headaches.

## PASSIONATE WORKERS

A Kantar Better Futures survey found that 75% of Kiwis want to work for a company that is socially and environmentally responsible. Authentically integrating sustainability into your business helps attract and retain talented and motivated people.

## COST SAVINGS

Good sustainability practices enable you to identify efficiencies across the value chain. Think reduced fuel costs, energy savings, higher performing and longer lasting materials, higher asset resale value, and so on. Banks also offer lower rates on finance for companies which commit to sustainability targets

## MARKET ACCESS

Increasingly, large companies, government bodies and councils include sustainability performance in their tender process. Their sustainability procurement performance depends on your business sustainability performance. Sustainability credentials can also improve access to competitive international markets.

## INCREASED INNOVATION

A sustainability lens augments how you think about value creation, particularly for the long-term where gains can be greatest. It can drive innovation and design for better products and services that your customers prefer.

## ENDURING GOODWILL

Consumer sentiment pivots quickly in the age of instant information. An integrated sustainability approach defends your social licence and customer goodwill against hard-to-predict changes in consumer and societal attitudes.

# WHERE DO I START?

## 1) If you haven't already, spend some time developing your understanding of sustainability so you can help others be more aware.

Here are four low-effort resources...

### Sustainability Illustrated [YouTube channel](#)



A series of enjoyable, credible, and to-the-point illustrated videos.

### Drawdown [Book](#)



An eye-opening list of solutions to climate change in bite-sized chunks.

### Ray Anderson's TED Talk [The Business Logic of Sustainability](#)



An inspiring yet grounded example of how a carpet business leveraged sustainability for profit.

### Grab a coffee and talk to others in your industry



An underrated approach to understanding barriers and opportunities for your business.

## 2) Engage your team.

Your team are a great source of information to help get you thinking about your sustainability strategy. What do they know about sustainability? How might they see it in relation to their roles? How does it fit with your core business purpose? Creating a partnership with your team around sustainability helps to 'kick the flywheel' into motion and build momentum. Helping to upskill your team about what sustainability *'is'* will create a common understanding so you can identify what sustainability *'means'* for your business.

## 3) Review the most relevant business sustainability tools or frameworks.

Sustainability is a big topic, with many dimensions and uncertainties, making it notoriously tricky to navigate. This is where sustainability tools and frameworks come into bat. Broadly speaking, they help businesses: **identify** the impacts they have on people and the planet; **prioritise** the impacts they should focus on; **guide** them to reduce those impacts; and credibly **communicate** progress to stakeholders. There are many different tools and frameworks available to help. Some are more useful in different industries. Some are wide-reaching and holistic. Some focus just on specific issues. Some are less recognised than others. And some require more effort than others to obtain full value.

The second half of this guide is designed to help you choose which sustainability tool or framework is the best fit for your business. This will help you address the most useful issues, communicate relevant information, and create more sustainable value in ways that benefit the business financially.

# WHERE DO I START?

## 4) Decide on a few sustainability topics to focus on.

After talking with your team, considering the most relevant tools or frameworks, and having a chat with contacts in your industry, you should have a rough idea of the issues that are most important to your business. For example, an IT business will probably find it has few environmental impacts but can reduce its energy use and/or focus on staff wellbeing. A hair and beauty salon will probably find that choosing products with environmentally-friendly certifications will help it reduce its impacts most effectively whilst creating points of difference for marketing.

On a page, note down the two or three sustainability areas that you think are most relevant (the tools and frameworks in the second half of this guide will usually indicate what these are). Then brainstorm a few actions or initiatives that your business could take to help reduce its negative impacts and increase its positive impacts.

## 5) Write a simple plan.

Once you've identified a few initiatives, write down a simple plan for actioning them. Try and specify *who*, *what* and *by when*. For example:

- Ask Sarah to replace all warehouse lights with LED bulbs by September
- I will research upstream manufacturers with sustainability certifications that we might work with so we can discuss this at next month's strategy meeting.
- I will ask our accountant to tell us at next week's finance meeting whether paying the living wage to all staff is affordable for us.
- Ask Bill to get a quote for installing solar panels at our processing plant by June and estimate what the energy and cost savings might be over time.
- Talk to our management team on Friday about whether we could link remuneration benefits to specific sustainability goals.

## 6) Share your plan with the team and make a start.

You don't have to solve everything at once. Just get started on a couple of things and see how you get on. The more you develop your plan with your team, the easier it will be to get things done because your team will understand *why* they are doing something new or different.

# LEVERS AND BARRIERS: LESSONS FROM BUSINESSES

## LEVERS

### Write down what 'good' looks like

Sustainability issues are wide-ranging. It is easy to get bogged down trying to figure out what to do. After you've done a bit of research, looked at a couple of tools/frameworks, try and write down what your business would look like if it had achieved its sustainability goals. This sets a waypoint that you can use to check your progress over time. You can ask, "if we get this certification, or if we make this change, will we be moving closer to what good looks like for our business?"

### Collaborate and share

Most of the sustainability challenges and opportunities that you'll come up against will be the same that other businesses are facing. For example, the cost and effort involved in providing a repair service for appliances might be easier if several similar businesses partnered together to establish a shared repair service. Similarly, electronics/IT businesses could offer computer and tech recycling to customers more easily if they bundled used equipment together; making the process more appealing to a local tech recycling organisation.

### Invest in your team

Implementing a sustainability strategy is much easier when your team understands why sustainability matters to the business and how sustainability is part of their role. Make sure you develop a sustainability plan *with* your team, not *for* your team. Invest in their knowledge and give them ownership over the strategy.

### Market your progress transparently

Being honest and upfront about how your business is tackling sustainability is good for business. People have inbuilt 'bullshit' detectors and can tell if a business is claiming to be green when in fact it isn't. Honest explanations of progress build consumer trust and loyalty. Increasingly, local councils, central government and private businesses are prioritising sustainability performance in their procurement practices. Marketing your sustainability performance transparently will open up new business opportunities.

### Data is your friend

Businesses often say, "we wish we had started measuring our sustainability performance earlier". Keeping simple records of things like, kWh of electricity used, kg of recycled material collected, litres of water saved, etc., means you can compare progress against a baseline starting point. Data clarifies progress and measures benefits, which is valuable for marketing.



# LEVERS AND BARRIERS: LESSONS FROM BUSINESSES

## BARRIERS

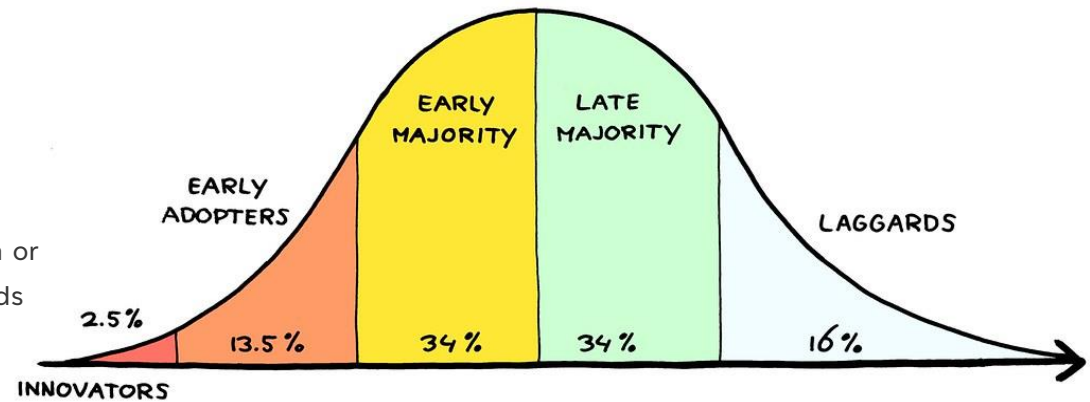
### Don't let perfection get in the way of progress

It's tempting to take on every aspect of sustainability and try to reduce all your business's impacts. However, this approach risks stretching you and your team too thinly, making it difficult to show progress on anything specific. Start with a basic plan focusing on just a couple of important things to begin with. It's easier to manage and often helps create a bigger impact and more opportunities sooner.



### Don't be afraid to test and pivot

As with all things in business, some ideas succeed, some fail, and some are more challenging than expected. It's all part of the challenge. If an initiative isn't bearing fruit, talk with your team and try to understand what might be going wrong. If you find that the goal you are working towards is out of reach or your approach isn't working, it's okay to pivot. This is the value of trial periods and pilot projects.



### Beware top-down strategies

Developing a strategy and plan without input from your team and then asking them to implement it rarely works. Generally, your team will feel less ownership and investment in the initiatives. Instead, ask your team *how* they would go about saving water, separating waste streams, coordinating with suppliers, for example, and then develop a plan taking their ideas and recommendations into account.

### Don't worry if some don't jump on board at the start

The adoption bell-curve is a useful reminder that people have different levels of interest and energy for change. Whilst it's important to take an inclusive approach to maximise the success of sustainability initiatives, it will always take time for late adopters and laggards to join in. And some laggards may never join! Working with a coalition of the willing first, and ensuring that group is as large as possible, by making it easy and attractive to join, ensures momentum for those that want to move ahead. Sharing the value of progress, whilst incentivising and rewarding success without shaming the later adopters, has proven effective for many businesses to encourage more and more people to join the leaders and accelerate the sustainability journey.

# WHAT TOOL OR FRAMEWORK SHOULD I USE?

## QUESTIONS

**There is no one size that fits all.**

There are many different sustainability tools, certifications, and frameworks. Here are some good questions to set you in the right direction.

Which audiences do we want to engage: customers, staff, investors, regulators? Which tools or frameworks will help me best communicate with them? Who else is using them?

Are we more interested in managing the sustainability performance of our company as a whole; or specifically demonstrating the sustainability credentials of a product or service?

Is it more valuable for us to focus on a specific issue first, like carbon, waste or staff wellbeing?

What do our most important customers or partners expect? What information do we need to collect to show that?

How much is this going to cost? How much effort is involved? Will it help us achieve our strategic business objectives? Do we have the internal capability?

Are we looking for a holistic framework that can help us plan to improve the environmental, social, cultural and governance aspects of our business?





# WHAT TOOL OR FRAMEWORK SHOULD I USE?

## CONSIDERATIONS

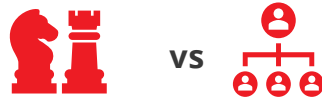
### ORGANISATION OR PRODUCT FOCUS



Are customer relationships based on your business' brand and reputation; or primarily focused on the product or service you deliver?

- Consumer facing businesses selling products may well lean towards a product certification as a first step; but should not overlook that customers will want to see consistency between a product brand and the organisation behind it.
- Businesses that identify more as an organisational brand, such as construction, retail or service companies, are likely to benefit more from a framework that drives organisational improvement.
- For some, particularly those relying more heavily on sustainability values and branding, both approaches may be appropriate.

### STRATEGIC OR MANAGEMENT FOCUS



- Frameworks like ISO and Enviromark are designed as environmental management systems. These focus more on internal processes and controls and represent a customer promise of appropriate internal standards.
- On the other hand, B Corp and the Future-Fit Business Benchmark are more focused on continual improvement towards strategic goals covering a full range of sustainability issues.
- Increasingly, some customers regard environmental management systems like ISO as an entry-level market requirement; so, it's important to know what your current or desired customers and markets are most interested in.

### BUSINESS OBJECTIVES & GREENWASHING



Businesses will get the most value out of the tools and frameworks that align with their vision and help achieve longer-term strategic objectives.

- These might include attracting talented staff, reaching into new markets, developing a particular brand essence or managing specific issues and risks.
- It's important for boards, leaders and team members to be involved in decision-making to ensure collective understanding of the approach. Regardless of which approach is adopted, businesses which fail to live the values of a certification or sustainability framework, or simply use it to bolster their green credentials without authentically walking the talk, run a serious risk of being called out.
- The public and customers are increasingly savvy about what genuine sustainable practices look like and what is greenwash (putting lipstick on a pig). Businesses that are seen to be greenwashing will lose trust with their customers, staff and partners which, will erode business value.

# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

There are literally hundreds of different ecolabels, certifications, management systems and measurement frameworks addressing sustainability. Some are sector specific (with over 100 for food and beverage alone) and others can be used for any product or business. This guide covers most of the tools and frameworks more commonly used in Aotearoa New Zealand. Broadly, they fall into 3 buckets...



## Plan, Measure and Manage.

- Support sustainability planning, measurement and management across a broad range of sustainability aspects.
- Can be thought of as more 'organisation-wide' frameworks.
- Strategic in nature, taking a longer-term focus.
- Require engagement from across the business.
- Usually become embedded in the businesses DNA over time.
- Often recognised and used by organisations globally.
- Some provide external certification.



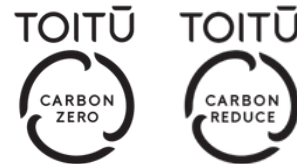
## Greenhouse gas Measurement and Management.

- Specifically designed to support the measurement and management of an organisation's greenhouse gas emissions.
- Help with the technical side, like getting the right data, aligning with accepted accounting practices, and setting targets.
- Provide external certification/audit to provide accountability.
- Can help underpin the GHG aspects of broader frameworks from the 'Plan, Measure, Manage' bucket.



## Specific Sustainability Issue.

- Designed to tackle specific issues under the umbrella of sustainability, like fair wages, product efficiency, organically grown, product recyclability, and so on.
- They often have a certification pathway via an audit or review, which gives credibility to claims.
- Often used in tandem with each other.
- Useful for access to markets that require evidence of specific standards.
- Can help underpin various aspects of broader frameworks from the 'Plan, Measure, Manage' bucket.



# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

B Corp

[bcorporation.com.au](http://bcorporation.com.au)

Best suited for: Businesses of any size

B Impact Assessment is an online tool that businesses can use to assess, compare and improve impact on workers, community, environment and customers. The SDG Action Manager provides an overview of the impact on each of the SDGs. To become a certified B Corp, a company must complete the B Impact Assessment (BIA), earn a minimum score of 80 points and have the assessment verified by the international non-profit B Lab.



## Cost and effort involved

- Free to use the BIA self-assessment
- Initial certification costs approximately \$4,250 for businesses with annual revenue of below \$2M, with 40% reduced *equity pricing* for Māori businesses.
- Reasonable initial effort required to gather data for self-assessment.

## Pros

- Self-assessment generates clear next steps for measurable performance improvement.
- B Corp has an increasingly recognised brand with consumers which can make certification a useful marketing tool for businesses wanting to demonstrate commitment to their customers.
- Clear steps to certification following self-assessment
- Affordable and low effort for small uncomplicated businesses
- Well-recognised certification globally with increasing profile in NZ

## Cons

- Reasonable effort required to undertake self-assessment (from 30 min for a small business to 2 years for a global business - depends on the size and complexity of the business)
- Does not offer a methodology for evaluating net-positive social or environmental impact

## Who else is using it?

Kathmandu, Kiwibank, Synlait, Ethique, Eagle Direct, Flashworks Media, Banqer, Grow Good, Brown Bread, Trineo, Like-minded, Ngātahi Communications, Manukora (over of 100 certified B Corps in NZ)

# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

## Future-Fit Business Benchmark

[futurefitbusiness.org](https://futurefitbusiness.org)



Best suited for: Businesses of any size

The Future-Fit Business Benchmark offers a holistic framework for assessing organisational and product performance against a full range of sustainability issues. The Benchmark's 23 Break-Even Goals assess and measure progress towards 100% sustainable performance across all relevant aspects of sustainability; whilst the 24 Positive Pursuits provide an approach for evaluating and communicating different aspects of positive impact. The Benchmark is designed to highlight a clear pathway of next step actions from measuring performance, with progress scores of between 0% to 100% to identify a point of break-even sustainability. The Benchmark's Break-Even Goals and Positive Pursuits are all mapped to the SDGs to easily highlight where business activities are contributing to various SDGs.

### Cost and effort involved

- Free with a wide range of open-source guides and materials available online, as well as an open online community network
- A reasonable amount of initial effort is required to gather data for self-assessment

### Pros

- Self-assessment based on data input generates clear next steps for measurable performance improvement
- Concrete progress measures from 0 to 100% across 23 Break-Even Goals supports innovation and business model evolution for sustainability
- Holistic approach with simple prioritisation tool for more targeted focus
- Comprehensive free guides, supporting materials and tools to identify most relevant areas of risk
- Designed to enable 3rd party verification and audit where desired
- Free online Changemaker Community is available as a global support and peer-learning network
- High-level self-assessment app available through Virgin Money

### Cons

- Initial self-assessment requires a reasonable amount of effort and specific data which may be onerous for smaller organisations
- No detailed online assessment tool available
- Does not offer a certification

### Who else is using it?

Tourism Holdings Ltd, Plant and Food Research, Grant Thornton, NZ Tech, Tumblar, Ziptrek Ecotours, Proxima

# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

## UN Sustainable Development Global Goals

[globalgoals.org](http://globalgoals.org)



Best suited for: Government, businesses of any size

In 2015, world leaders agreed to 17 Global Goals (officially known as the Sustainable Development Goals or SDGs) to carry on the momentum generated by the Millennium Development Goals (MDGs). These goals have the power to create a better world by 2030, by ending poverty, fighting inequality and addressing the urgency of climate change. Businesses can either engage with the goals directly or through other Frameworks such as Future-Fit or B Corp. There are 169 targets that sit under the goals for nation states to achieve.

The Goals are known as the UN Global Goals, the Sustainable Development Goals and the SDGs.

### Cost and effort involved

- Free to use
- Effort required to gather data for self-assessment depends on how the business approaches the SDGs. You can spend as little or as much time as you want, but the results, and therefore impact, is proportional.

### Pros

- Covers the entirety of sustainability issues including society and governance with 17 categories
- The 17 goal areas are reasonably well recognised by larger organisations and public entities at a national and global level
- The 17 goal areas are relatively easy to communicate
- Comprehensive free guides, supporting materials, tools and educational courses are available
- SDG Impact Standards provide a process to demonstrate good practice

### Cons

- Very broad and designed to guide national policy rather than for evaluating company performance
- No external verification available
- The SDG Impact Standards process is complex and requires a reasonable amount of effort

### Who else is using it?

Eagle Protect, International Antarctic Centre, Cook Brothers Construction, Christchurch International Airport, University of Canterbury, GHD

# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

## ISO 14001 Environmental Management System

[iso.org/iso-14001](https://www.iso.org/iso-14001)



Best suited for: Businesses of any size, society / government

ISO 14001 is an international standard that sets out the criteria for an environmental management system that can be certified. It maps out a framework that a company or organisation can follow to improve environmental management systems with the aim of reducing waste and environmental harm. The standard is designed for any type of organisation, regardless of its activity or sector.

### Cost and effort involved

- The ISO 14001 standard itself (PDF/hard copy) costs around \$280 and can be found [here](#). Certification cost depends on size and environmental risk.
- Significant effort is required to set up internal management processes prior to starting the certification process.

### Pros

- Internationally recognised as a credible internal system to manage environmental performance
- Provides assurance to company management and employees as well as external stakeholders that environmental impact is being measured and improved.
- Going through the process often identifies wastage (energy, time, money)

### Cons

- Ongoing need to keep documents updated for re-certification
- Balance of effort vs value to the company

### Who else is using it?

Hunter Civil, Kiwi Labels, Heads Up Access, Antarctica NZ, EN GEO, Gelita NZ, Groundline, Christchurch City Council

# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

## Toitu Enviromarks

[toitu.co.nz](http://toitu.co.nz)



Best suited for: Businesses of any size

The Toitū enviromark programme ensures organisations are meaningfully managing their environmental impacts by developing, implementing and maintaining a robust Environmental Management System (EMS) for their significant environmental impacts. The EMS is independently audited annually to ensure it meets applicable regulations and standards. An organisation can achieve one of three Toitū enviromark certification levels – bronze, gold or diamond.

### Cost and effort involved

Effort depends on the status of the reporting systems of the organisation, depending on availability and quality of data. Service fee depends on the size and complexity of the organisation.

### Pros

- Nationally recognised as a credible internal system to manage environmental performance and assures that your business meets any relevant ISO standards
- Provides assurance to company management and employees as well as external stakeholders that that your business is carbon neutral
- Enables a staged approach to implementing an environmental management system with its three certification levels

### Cons

- Annual re-verification necessary

### Who else is using it?

Trade Aid, Nelmac, Arrow Uniforms, Fonterra, Saito New Zealand

# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

EKOS

[ekos.co.nz](https://ekos.co.nz)



Best suited for: Businesses of any size

EKOS' overall goal is to respond to the current climate emergency and to assist and enable other organisations and individuals to do the same. It does this by providing carbon emission management services to businesses, individuals and event holders in Aotearoa New Zealand and overseas. EKOS' certifications cover the measurement, offsetting and reduction of carbon emissions. EKOS have 4 certifications: Zero carbon, Climate Positive (offsetting 120% of emissions), Carbon Friendly (reducing emissions) and Carbon Footprint (establishing your footprint); as well as a Net Zero Carbon Business Lite certification for SMEs. EKOS partners with landowners to develop projects that grow and protect indigenous forests with a focus on marginal and erosion prone land to improve waterways and mitigate risks of climate change. EKOS also offers bespoke *insetting* projects where you own the carbon offset planting project.

## Cost and effort involved

- Effort depends on the status of the reporting systems of the organisation, and specifically on availability and quality of data.
- Service fee depends on the size and complexity of the organisation.

## Pros

- Nationally recognised as a credible internal system to manage environmental performance and assures that your business meets any relevant ISOs
- Can provide assurance to company management and employees as well as external stakeholders that that your business is carbon neutral
- Enables ownership of carbon offsetting projects (*insetting*) to mitigate the risk of rising carbon prices
- Offers a Business Lite certification and free carbon calculator for SMEs with a footprint of less than 50 tCO<sub>2</sub>e

## Cons

- Annual re-verification necessary

## Who else is using it?

Antarctic Research Centre, The English Farm, Wildlands, Kai Carrier, Kahurangi Guided Walks

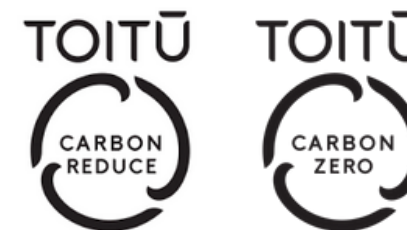


# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

Toitu Carbonreduce & Carbonzero

[toitu.co.nz](https://toitu.co.nz)

Best suited for: Businesses of any size



The Toitū Carbonreduce programme helps accurately measure a company's greenhouse gas emissions and put in place strategies to manage and reduce impacts. The programme was previously known as CEMARS. Toitū Carbonzero helps to measure emissions and put in place strategies to manage, reduce and offset impacts to achieve carbon neutrality. Both programmes are designed to support any organisation, service or product.

## Cost and effort involved

- Effort depends on the status of the reporting systems of the organisation, and specifically on availability and quality of data.
- Service fee depends on the size and complexity of the organisation.

## Pros

- Nationally recognised as a credible internal system to manage environmental performance and assures that your business meets any relevant ISOs
- Provides assurance to company management and employees as well as external stakeholders that carbon emissions are measured, reduced, and offset where applicable
- Toitū offers a wide range of specific services and is more of a one-stop-shop for a wide range of carbon services

## Cons

- Annual re-verification necessary
- Offsetting projects are not all local in New Zealand

## Who else is using it?

Lyttelton Port Company, Antarctica NZ, Ryman Healthcare, University of Canterbury, ANZCO Foods, Orion NZ

# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

## Rainbow Tick

[rainbowtick.nz](http://rainbowtick.nz)

Best suited for: Businesses of any size



Rainbow Tick is a certification mark for organisations that complete a Diversity and Inclusion assessment process. It tests whether a workplace understands and welcomes sexual and gender diversity and involves an ongoing quality improvement process. 'Rainbow' refers to people who identify as lesbian, gay, bisexual, transgender, takatāpui and intersex (LGBTQTQIA+).

Assessment for certification covers the following areas: (1) Policies, (2) Staff Training, (3) Staff Engagement and Support, (4) External Engagement, and (5) Monitoring.

### Cost and effort involved

- \$3300 annually for businesses with under 100 employees.
- \$3000 per year if signing on for a 5-year contract.
- The process starts with a self-assessment form to understand the current baseline.
- Time varies depending on business size, current inclusion and what evidence is gathered.

### Pros

- Achieving the Rainbow Tick allows you to show employees, customers and the wider world that you are a progressive, inclusive and dynamic organisation which reflects the community you are based in
- Ensures that the mental wellbeing of employees from the rainbow community is cared for
- Addresses legal compliance and risk mitigation regarding discrimination
- Supports retention and attraction of employees

### Cons

- Very specific focus
- Time consuming depending on current level of inclusion

### Who else is using it?

Contagion, Canterbury Rugby Football Union/The Crusaders, Jones Lang LaSalle Ltd, Repromed, Vapo (but the majority are big businesses/orgs, councils and ministries)

# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

Eco Choice NZ

[environmentalchoice.org.nz](http://environmentalchoice.org.nz)

Best suited for: Businesses of any size



Eco Choice New Zealand (ECNZ, and previously Environmental Choice NZ) is Aotearoa New Zealand's only Type I ecolabel developed in accordance with ISO14024. ECNZ is independently administered by the New Zealand Ecolabelling Trust but owned and endorsed by the New Zealand Government. Eco Choice is highly regarded in New Zealand and internationally. Certification provides independent assurance for businesses and consumers who want to purchase and use products that are better for customers and the environment. ECNZ has developed 23 certified ecolabel standards covering a wide variety of products and services, with the most recent being for waste and demolition targeted at reducing waste from construction industry.

## Cost and effort involved

- Application fee of \$1,000
- Fees are payable for verification process and depend on amount of work involved
- Annual licence fees start at \$1,000 for annual sales of up to \$100k, \$3,500 for sales up to \$1M with an increase for every additional \$1M of sales up to a maximum of \$61,000 for sales above \$500M
- Office activities standard is based on number of employees starting at \$1,000 for up to 9 employees up to \$36,000 for 500+ employees

## Pros

- Locally owned and operated
- Highly regarded locally and internationally
- Offers a variety of different certifications that address specific industry issues and activities most relevant to the New Zealand context
- Potential to work with ECNZ to develop new standards for additional products and services

## Cons

- Certification process can be time consuming
- Requires annual verification that involves ongoing cost

## Who else is using it?

39 companies including: Taggart Earthmoving Ltd (waste and demolition), Rockstock (paper), Bio-Zyme and Pristal (detergent and cleaning), Vidak and Golden Edge (furniture, fittings and flooring)

# OVERVIEW OF THE MOST COMMON TOOLS AND FRAMEWORKS

The Living Wage Movement Aotearoa NZ

[livingwage.org.nz](http://livingwage.org.nz)

Best suited for: Businesses of any size

Living Wage Employer accreditation can be licenced by organisations that meet set criteria. All employees, whether directly employed or contractors, must be paid the Living Wage; and no changes to conditions of employment or working hours are allowed to meet the current Living Wage rate. All workers must be provided with access to a union in their place of work. A Living Wage is the income necessary to provide workers and their families with the basic necessities of life. It enables workers to live with dignity and to participate as active citizens in society.

## Cost and effort involved

- Costs for the license fee vary from \$100 to \$500 (charities/community) or from \$250-\$1,000 (private/government) for organisations with 1-100 employees.
- It usually takes around 2-4 weeks to achieve certification. Time required includes filling out the application form and signing required paperwork, providing evidence that employees are offered union access (can be information sent out to existing team or 2 website links added to new employment contracts).



## Pros

- Supports reduced staff turnover, a more productive work environment and increased business
- Employees talk about spending more time with their families, feeling valued, less stressed and consequently happier and more motivated in their workplaces
- Simple process for small businesses after determining that a living wage is being paid

## Cons

- Significant effort required for companies that have franchises or employ many temporary sub-contractors who also need to be paid a living wage (primarily a challenge for bigger businesses)

## Who else is using it?

Christchurch Cathedral, Green Dinner Table, Real Estate New Zealand, Mr Peacock, Proherb, Streamside Organics



[globalreporting.org](http://globalreporting.org)

## GRI Standards

GRI (Global Reporting Initiative) is an independent, international organisation that helps businesses and other organisations take responsibility for their impacts, by providing them with a comprehensive reporting framework to communicate those impacts with the GRI Standards. This enhances global comparability and enables organisations to be transparent and accountable. The GRI Standards are primarily used by large businesses to communicate sustainability issues, impacts and management approaches to stakeholders and customers through sustainability reporting.

[integratedreporting.org](http://integratedreporting.org)



Now part of IFRS Foundation

## Integrated Reporting

The <IR> Framework is primarily used as a corporate reporting approach targeted at investors. An integrated report is a concise communication about how an organisation's strategy, governance, performance and prospects, in the context of its external environment, enable the creation of value in the short, medium and long term. <IR> is primarily used by large businesses to demonstrate their potential for sustainable value creation, greater collaboration within their teams, more informed decision-making and positive impacts on stakeholder relations.

[treasury.govt.nz](http://treasury.govt.nz)

## Living Standards Framework

The LSF is a flexible framework that prompts thinking about policy impacts across the different dimensions of wellbeing, as well as the long-term and distributional issues and implications. LSF supports The Treasury to provide more comprehensive economic policy advice to government. The LSF incorporates 12 domains of wellbeing and reflects the NZ Treasury's perspective of what matters for Kiwi's wellbeing.





[spglobal.com](http://spglobal.com)

## **Dow Jones Sustainability Indices**

The Dow Jones Sustainability Indices (DJSI) launched in 1999 as the first global sustainability benchmark targeted at an investor audience. DJSI has recently partnered with the New Zealand Stock Exchange (NZX) with the launch of S&P/NZX 50 Portfolio ESG Tilted Index. This index serves as an independent and transparent tool in measuring ESG / sustainability performance as more investors incorporate sustainability targets in their investment decisions. DJSI is used by investors seeking to track equity markets while applying a sustainability best-in-class selection process. Only a handful of Kiwi listed companies participate.

[cdp.net](http://cdp.net)



## **CDP (formerly the Carbon Disclosure Project)**

CDP is a not-for-profit charity that runs the global disclosure system for investors, companies, cities, states and regions to manage their environmental impacts. The world's economy looks to CDP as the gold standard of environmental reporting with the richest and most comprehensive dataset on corporate and city action. Only a handful of large Kiwi companies participate.



[www.greentick.com](http://www.greentick.com)

## Green Tick

Green Tick is a global, sustainability standard for consumer products. It is an independent environmental certification separate from any industry or government guidance. This certification can be given to any product or service anywhere in the world that is operating under the Green Tick definition of sustainability: “operating without permanently damaging the environment”.



[nz.fsc.org](http://nz.fsc.org)

## Forest Stewardship Council (FSC)

The Forest Stewardship Council is an international non-profit, multi-stakeholder organisation established in 1993 that promotes responsible management of the world's forests. It is found primarily on wood and paper products and is an example of a market-based certification program used as a transnational environmental policy.



[fairtradeanz.org](http://fairtradeanz.org)

## Fairtrade

Fairtrade serves as an alternative to conventional trade and is based on the partnership between producers and consumers with the goal of empowering workers, improving working conditions and reducing poverty through ethical trade practices. The Fairtrade certification system aims to assure consumers that their purchase meets special social, economic and environmental standards and guarantees a minimum price that covers the costs of sustainable production.



[lcanz.org.nz](http://lcanz.org.nz)

## LCANZ

The Life Cycle Association of New Zealand (LCANZ) was established in June 2009 to provide a focal point for Life Cycle Assessment and Management work conducted in New Zealand. It aims to promote networking and knowledge sharing between organisations and people.



[epd-australasia.com](http://epd-australasia.com)

## EDP Australasia

EPDs (Environmental Product Declarations) are independently verified and registered documents that communicate transparent and comparable environmental information about the life-cycle impact of products in accordance with ISO 14025. Businesses and industry associations use EPDs to explain aspects of production, distribution, usage or end-of-life options (recycling and disposal) which are commonly misunderstood by the market.



[cogo.co](http://cogo.co)

## CoGo

CoGo is a fintech company providing carbon tracking solutions that enable businesses and banking customers to measure the carbon footprint arising from spending. CoGo solutions integrate with Xero accounting software to help businesses understand carbon impacts and then reduce them.



[eecca.govt.nz](http://eecca.govt.nz)

## Energy Rating Label

The Energy Rating Label was developed under the trans-Tasman Equipment Energy Efficiency (E3) programme and EECA (Energy Efficiency & Conservation Authority) administers the label compliance in Aotearoa New Zealand. All new refrigerators, freezers, heat pumps, clothes washers, clothes dryers, dishwashers, televisions and computer monitors available for sale in New Zealand must display the Energy Rating Label, which shows how much energy a product uses per year.





[nzgbc.org.nz/green-star](https://nzgbc.org.nz/green-star)

## Green Star

Green Star is an internationally recognised rating system for the sustainable, efficient and productive design, construction and operation of buildings. It measures and independently verifies all types of buildings except for residential homes which are considered under the Homestar rating. A 4 Green Star rating is considered good practice, while 6 Green Star is world leading.

[nzgbc.org.nz/homestar](https://nzgbc.org.nz/homestar)



## Homestar

Homestar is a comprehensive, independent national rating tool that measures the health, warmth and efficiency of New Zealand houses. A home is rated on a scale from 6 to 10. A new home built only to Building Code would achieve 3-4 Homestar on the scale. A 6 Homestar rating or higher provides assurance that a house will be warmer, drier, healthier and cost less to run than a typical new house built to the building code. A 10 Homestar rating means you've built a world leading home.

[nabersnz.govt.nz](https://nabersnz.govt.nz)



## Nabers NZ

NABERSNZ is a tool used in the property sector to measure and rate the energy performance of commercial office buildings. Ratings range from 0 to 6 stars with 3 stars considered good, while 5 and 6 stars are awarded for market leading, aspirational performance.

[homefit.org.nz](https://homefit.org.nz)



[homefit.org.nz](https://homefit.org.nz)

## HomeFit

HomeFit is a straightforward way to check the quality of a home – that it's warm, safe and dry. A HomeFit home is certified to be fit for living. This means the home includes features that make it warm, safe and dry, and more efficient to run. It's an assessment of health, comfort, energy efficiency and safety, and covers a range of criteria that are essential for a home to be liveable.



[living-future.org](http://living-future.org)

## Living Building Challenge

The Living Building Challenge is operated by the Living Futures Institute. It is the world's most stringent green building standard. Buildings must be certified to the standard based on actual, rather than designed, performance and must address all seven elements (petals) of the standard (place, water, energy, place, health and happiness, materials, equity and beauty). Living Buildings must harvest all their own energy and water, and deal with all wastewater on-site whilst creating positive environmental and social benefits.

[declare.living-future.org](http://declare.living-future.org)



## Declare.

Declare is a type of environmental product declaration. Launched in 2012 by the International Living Future Institute (also running the Living Building Challenge) Declare is the equivalent of a nutrition label for building products. Declare is a transparency platform and product database that is changing the materials marketplace.

[passivehouse.nz](http://passivehouse.nz)



## Passive House Certification (Passiv Haus)

Passive House Institute NZ (PHINZ) is on a mission to close the gap between the desired and actual performance of buildings, and to accelerate the delivery of measurable and continuous improvements in their indoor environmental quality in tandem with their energy-efficiency. The Institute works with professionals and the public sector to improve the energy efficiency of homes and public buildings, helping improve health and well-being, and relieving fuel poverty for New Zealanders.



[qualmark.co.nz](http://qualmark.co.nz)

## Qualmark

Qualmark is New Zealand Tourism's official quality assurance organisation. Qualmark looks to recognise tourism businesses that are delivering a holistically sustainable experience. Following an evaluation, a Qualmark business will receive a Bronze, Silver or Gold award based on its performance under the Sustainable Tourism Business Award Criteria. Accommodation businesses will also receive an official star rating that denotes the quality of the facilities on offer.



[greenglobe.com](http://greenglobe.com)

## Green Globe

The Green Globe standard is a global tourism certification system. It applies to travel and tourism businesses and their supply chain partners. The indicators and criteria for Green Globe certification cover the following areas: sustainable management, social/ economic, cultural heritage and environment. Environmental criteria include: purchasing environmentally friendly materials, regulating water and energy use, being conscious of waste management, and reducing emissions.



[earthcheck.org](http://earthcheck.org)

## EarthCheck

Since 1987 EarthCheck has been a scientific benchmarking, certification and advisory group for travel and tourism. It supports businesses, communities and governments to deliver clean, safe, prosperous and healthy destinations for travellers to visit, live, work and play. EarthCheck is used around the world, but mainly in Australia.



[gstcouncil.org](http://gstcouncil.org)

## GSTC Criteria

The GSTC (Global Sustainable Tourism) Criteria serve as the global baseline standards for sustainability in travel and tourism. The Criteria are used for education and awareness-raising, policy-making for businesses and government agencies and other organisation types, measurement and evaluation, and as a basis for certification.



[biogro.co.nz](http://biogro.co.nz)

## BioGro

BioGro is Aotearoa's largest organic certifier providing certification for more than 830 producers, farmers and manufacturers across New Zealand and the Pacific. The BioGro logo is the mark of a genuine organic product, providing a guarantee that the product is made without animal testing, genetic modification or the routine use of synthetic pesticides. BioGro assists producers to meet regulation in key export markets including Europe, Canada, the US and parts of Asia.



[asurequality.com](http://asurequality.com)

## AsureQuality Kaitiaki Kai

AsureQuality is a New Zealand Government-owned entity and a leading provider of food assurance services to Aotearoa's primary and food production sectors. AsureQuality is unique in New Zealand with its end-to-end focus on the food supply chain. Primary and food production sectors use this to assure their quality to retailers and export markets.



[ifoam.bio](http://ifoam.bio)

## IFOAM Organics International

The IFOAM Standard is an internationally-applicable organic standard that can be used for certification. It serves as an international reference and inspiration for those developing their national or regional organic standard.



[biodynamic.org.nz](http://biodynamic.org.nz)

## Demeter

Demeter is an international system that certifies food or products which have been produced using biodynamic practices. Some of the requirements of the standards for becoming a Demeter certified farm include: not using most synthetic fertilisers, pesticides, herbicides or animal remedies; maintaining biodiversity; using biodynamic preparations; and compost and liquid brews which have had the biodynamic compost preparations added. Demeter operates in 50 countries but is not well used in NZ (14 operators, one in Christchurch).



[nzwine.com/sustainability](http://nzwine.com/sustainability)

## **New Zealand Sustainable Winegrowing**

Sustainable Winegrowing New Zealand (SWNZ) is an industry initiative aimed at providing a 'best practice' model of environmentally responsible practices in the vineyard and winery. SWNZ is widely recognised as a world leading wine sustainability programme and was one of the first to be established in the international industry in 1997. Today, 96% of New Zealand's producing vineyard area is SWNZ-certified.

[msc.org](http://msc.org)



## **The Marine Stewardship Council (MSC)**

The Marine Stewardship Council (MSC) is an international, scientific, not for profit dedicated to tackling overfishing and marine habitat destruction, by driving the fishing and seafood industry towards sustainability. Seafood producers use the MSC tick it to show consumers that their products are caught and processed in a sustainable way. The MSC blue fish tick makes it easy to choose seafood that's sustainable, traceable, and wild.