

### We are SBC

It is a pleasure to present to you the 2023-24 Snapshot Report, which provides an overview of the initiatives and progress SBC and our member organisations have delivered in the last financial year, working together to achieve our vision: a thriving and sustainable future for Aotearoa New Zealand.

The economic recession means that doing business sustainably in the past year has required more grit than ever. It has also required a commitment to continuing to look for opportunities to go further and faster, despite competing priorities.

There is also, however, more impetus than ever. The risk of not acting is real and significant – both in terms of material risks to businesses from climate change, the competitive risk of falling behind in what is a fast-emerging consumer and investor priority, and the new global compliance our exporters are becoming subject to. Our support in this area will continue to grow.

The fundamentals of sustainability remain a focus for SBC. With demands on sustainability professionals growing, our members need help bringing more of the organisation into the tent. New SBC resources have been well received and now form part of our wider sustainability offering to members which includes training, direct advice, online events, think pieces from members and communities of practice.

Alongside the Climate Leaders Coalition, we have ramped up advocacy on behalf of our 160+ collective businesses as the incoming government has bedded in and looks to make its mark. It was a privilege to represent Aotearoa New Zealand businesses (joined by a dozen SBC and CLC organisations) in Dubai at COP28 and translate this for the New Zealand

context. SBC and CLC have since also submitted on a number of strategic, multisector consultations as part of our ongoing effort to provide a credible business voice. Thank you to all of our members who have engaged in this process and linked us in on broader matters of importance to them.

Our collaborations and partnerships continue to be where we give effect to our ambition, and over the past year I have been delighted to see the AgriZeroNZ public-private partnership thriving as it works to accelerate investment into technology and innovation that will drive down methane and other agriculture emissions in New Zealand. We have made excellent progress in our heavy freight collaboration, delivering a feasibility study in partnership with the Ministry of Transport on heavy freight decarbonisation. The first half of 2024 saw us putting in place the foundations for our next major collaboration, which this time will be in the nature space.

The social side of the equation is a key ingredient, and a particular highlight of the last year was the launch of a report which helped us identify community investment and impact, supply chain and employment practices as areas to focus on as a collective. We know that social investment can yield material improvements in outcomes for businesses, their employees and our communities.

A special mention needs to be given to the SBC Advisory Board for the encouragement and stretch they provide. I would like to thank Gareth Marriot and Claire Walker for their support and leadership over the past year. I would also like to thank all our members who are out there, walking the talk, every day – we are very proud to represent you.

The results in this year's Snapshot reflect the fact that many of our members are now moving into full delivery mode, going beyond targets. This means having a transition plan mapped out, measuring progress, celebrating outcomes, and being transparent where and when things are not shoring up.

With this, it becomes even more critical to engage, build new relationships, and share both our successes and challenges. With our small size, and culture of innovation, New Zealand is in a position to make meaningful progress quickly, but we must keep our foot on the pedal, and we will all benefit from sharing what we learn along the way.



**Mike Burrell, Executive Director** Sustainable Business Council

### We are SBC

# LEADERSHIP IN SUSTAINABILITY

Supporting members to be ambitious on sustainability and encouraging other businesses to go further.

### THRIVING PEOPLE

Members are contributing to a just transition and acting on the most material issues facing society. OUR

## ACTION ON CLIMATE AND NATURE

Accelerating the transition to a future that is zero emissions, resilient, and nature regenerative.



41% of New Zealand's GDP

(41%, 2023)



\$169 billion collective turnover

(\$158b, 2023)



**130 members** (139, 2023)



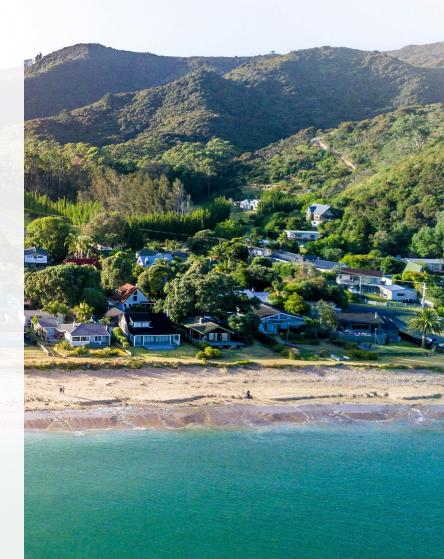
276,532 full-time jobs

(286,639, 2023)



14% of New Zealand's labour force (15%, 2023)



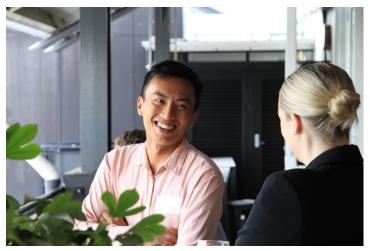


### SBC Highlights 2023-24

- Working with the new coalition government to advocate for climate action, including in policy architecture and the pillars of the Emissions Trading Scheme, energy, transport, agriculture and nature
- Delivering the largest ever Climate Change and Business Conference, in partnership with the Environmental Defence Society and Climate Leaders Coalition, with over 620 attendees in person and 120 online
- Strengthening our relationship with the WBCSD, not only in sharing their global insights with our membership, but also in showcasing our members' mahi and thought leadership on a global platform
- Achieving a 12-point increase to our Net Promoter Score (NPS), putting us well into the 'excellent' zone with an NPS of 60
- Delivering a feasibility study, in partnership with the Ministry of Transport, on decarbonising heavy freight through Renewable Freight Certificates
- Representing Aotearoa New Zealand businesses (alongside over a dozen SBC and CLC organisations) in Dubai at COP28, delivering multi-channel content outlining the key takeaways from the COP and their relevance to the New Zealand context
- Delivering two successful Climate-Related Disclosures Readiness Workshop Series alongside Deloitte, KPMG and Toitū Envirocare

- Delivering the SBC and Beca Nature Positive Workshop Series to a first cohort of members from agriculture and food sector
- Launching a new Sustainability Toolkit, including the creation of five practical how-to SBC Guides on fundamental sustainability topics designed to help others within the business understand and buy into the importance of sustainability
- Delivering our flagship Strengthening the 'S' in ESG for Aotearoa New Zealand Businesses report, with support from 10 members
- Delivering a suite of in-person and virtual consultations, events, trainings, webinars and workshops, totalling 1,456 touchpoints with member organisations and 2,482 individuals within them
- Working in partnership with Kantar (Better Futures) and Oxygen Consulting (Insights on Aotearoa New Zealand Sustainability Professionals) to deliver the most downloads of each respective report to date

"SBC has strong leadership, clear strategy, proof of execution, awesome team that are always happy to engage, collaborative members, and enjoyable events that provide motivation to keep up the mahi."







### Year in review

**KEY HIGHLIGHTS** 



### **ACTION ON CLIMATE AND NATURE**

Climate-Related Disclosure Readiness Workshop Series in partnership with Deloitte, KPMG and Toitū Envirocare

Delivery of two rounds of a 10-part workshop series covering governance, risk and strategy, metrics and targets, climate reporting, regulator expectations and more.

- 60 participants from 31 member organisations took part over the two series
- The series was favourably received, with 85% of participating respondents finding the workshops excellent or very good, and 90% saying they would recommend it to others
- Collaboration has continued off the back of the series, with 21 of the participants from 16 members opting into a quarterly connection point to discuss and share knowledge around areas of climate-related disclosures
- Workshop speakers included experts from The External Reporting Board (XRB),
   DLA Piper, the Financial Markets Authority (FMA) and Wright Communications

"[The series was] well-structured with very articulate and knowledgeable presenters. I liked the breakout discussions and learning from those already started on their disclosure preparations or experienced with TCFD."

CRD Readiness Workshop Series feedback survey, 2023

- Drafting submissions, with input from 77 member organisations, on behalf of SBC and CLC organisations to both the Ministry for the Environment's ETS review, and the Climate Change Commission's 3-part Pathways Consultation
- Delivering a Briefing for Incoming Ministers, and continuing to engage in person with both Ministers and opposition MPs to advocate for climate action
- Delivering a feasibility study, in partnership with the Ministry of Transport, on decarbonising heavy freight through Renewable Freight Certificates
- Partnering with MfE to create Business Case for Nature template(s) and toolbox to enable businesses in Aotearoa to build a case for investing in nature
- · Delivering a Nature Positive workshop series with Beca, focused on the food and beverage sector
- Enhancing member capability through continuation of the SBC/IAG Adaptation Working Group
- Delivering multiple Climate-Related Disclosures support and networking group sessions
- Supporting SBC member engagement with COP28 in Dubai sharing insights from the action on the ground, supporting domestic events being held simultaneously back home, and building up networks that advocate for an effective global response to climate change
- Supporting delivery of the Climate Leaders Coalition's programme of work and signatories continued transparent reporting on progress, including the delivery of nine CLC Masterclasses, focused on helping members upskill and meet their membership commitments

"I think SBC is doing a great job at both practically helping companies to navigate the ever-evolving regulatory and voluntary climate disclosure landscape, alongside giving a collective voice and having influence/advocacy at the government level."





# 22 LEADERSHIP IN SUSTAINABILITY

#### Launch of SBC's Sustainability Toolkit, providing practical howto guidance on key sustainability challenges

- We developed five new SBC Guides, covering the business case for sustainability, sustainability strategy, climate mitigation, climate adaptation and nature, each designed to ground sustainability practice in te ao Māori
- The guides, prepared in partnership with thinkstep-anz and Kaitiaki Collective, were launched at Wellington and Auckland events with over 70 total attendees
- The full toolkit compiles nearly 100 external resources from around the globe, making it a valuable repository of sustainability quidance
- As a result of being profiled at WBCSD's monthly Global Network Meeting, the guides are now being adapted by several WBCSD Global Network Partners

"I have really enjoyed the Sustainability Guides that have been sent out this year – very informative and practical. And as always, the webinars are great!"

Member survey, 2024

#### Members' overall satisfaction with SBC's work, on a scale of 1 to 5

49% of members rated us a 5 for most satisfied (up 16%) and 100% rated us a 3 or higher

Member survey, 2024

- Successfully delivering the 2023 Climate Change and Business Conference, with nearly 750 total attendees (in-person and online), delegate representation from 367 companies, and over 87 speakers
- Launching an ESG Working Group, comprised of representatives from seven members who contribute to the delivery of our general sustainability support to the wider membership
- Creating a new community of practice focusing on how to keep sustainability a priority during a recession
- Re-launching the popular Brilliant Basics online event series, showcasing member best practice in fundamental areas of sustainability
- Delivering the 2023/24 intake of the Sustainability Leadership Programme (delivered in partnership with Catapult) with 30 participants, 75% of which were from SBC or CLC organisations
- Successfully delivering our partnered reports, with 433 downloads of consumer insights report
  Better Futures (with Kantar), over 400 downloads of the Sustainability Professionals Research
  report (with Oxygen Consulting, AUT and SBN), and over 470 attendees across the two launch
  events
- Launching a new collaboration with Chapter Zero and IoD on Advanced Director Climate
  Risk training and guidance on climate risk governance, and a suite of resources for Directors
  including toolkits on addressing climate change at the Board room table and on structuring
  Boards to take effective action
- Launching three new approaches to sharing thought leadership our Future Focus and WBCSD global news sections within Pānui and our member 'hot take' blogs
- Delivering 22 sustainability-focused courses and workshops (with 242 participants) as part
  of BusinessNZ and SBC's support to smaller businesses to develop and embed sustainability
  in their ways of working, including the delivery of BusinessNZ Networks All Things carbon
  webinar series





### **THRIVING PEOPLE**

#### Launch of flagship 'Strengthening the 'S' in ESG' report

- 31 members contributed to the report, and 10 supported its delivery
- The launch event was attended by 75 people
- Three key action areas were recommended in the report, including weaving Te Ao Māori into thinking and planning
- The report provided practical tools and actions for members to improve positive social impact, including a maturity assessment matrix
- A key result was the identification of an exciting role and value proposition for business to contribute a more equitable and inclusive Aotearoa New Zealand

"Congratulations for pushing this forward and creating the next sustainability frontier for New Zealand corporates"

David Benattar (previously Chief Sustainability Officer at The Warehouse Group)

"The 'S' is broad, but I think SBC has done well to prioritise and cater for what members want. The report was excellent too."

- Launching a strengthened work programme focused on building connections, building capability, and working smarter together across three recommended areas of focus: community investment and impact, supply chain and employment practices
- Working with members to create three supporting case studies showcasing member best practice across these focus areas, which went on to be showcased globally by WBCSD
- Delivering three in-person networking events, as well as five Thriving Voices online events
  covering topics including modern slavery and human rights, social procurement and supplier
  diversity, and social impact strategy and measurement
- Standing up two working groups from the membership, including one focused on community investment and impact to support accelerated action with outputs including a set of common definitions, an impact model, and a register connecting 23 members and their respective community investment activities (including opportunities for aligned action)
- Driving use of the social sustainability maturity assessment matrix to evaluate maturity and
  actions to lift performance, the information from which is being used to inform programme
  development and to support knowledge, good practice and resource sharing across members
- Delivering the 12-month pilot of the THRIVE Future Work Ecosystem, a collaboration between SBC, FutureWork Studio, Meridian, New Zealand Post and New Zealand Steel to help our members and their workforces adapt to an increasingly disruptive operating environment
- Continuing to grow the Thriving People network, with over 130 leaders from business
  units including HR, People & Culture, Procurement & Supply Chain, Diversity & Inclusion,
  Sustainability and more. Over 60% of our member organisations are now represented in the
  network, reflecting the sheer breadth of social sustainability and growing importance on the
  business agenda

### Our members in action

#### Future-proofing our energy system

Our members are leading the way in renewable development, renewable transition, and grid decarbonisation. Over the last year, Meridian signed an MOU for the exploration of offshore wind in 2023, Mercury switched on its Kaiwera Downs windfarm and set out plans to expand both it and the Ngā Tamariki geothermal power plant, and Genesis broke ground on its Lauriston solar farm. Contact is developing a grid-scale battery at New Zealand Steel's Glenbrook site to store excess renewable energy, while Counties Energy and Transpower are collaborating to create more visibility around (and coordinate the use of network flexibility from) residential EV chargers and solar panels. In the renewable transition space, IAG has signed an agreement with CLC signatory Ecotricity to match its electricity consumption with the generation of renewable electricity, the Warehouse Group is transitioning 260 of its sites to solar, and Spark has agreed to buy all the electricity generated by Genesis' Lauriston solar farm.

#### Protecting and investing in nature

Nature is a growing area of focus for the membership. Earlier this year, Lyttelton Port became the first Aotearoa New Zealand-headquartered early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD), while Waikato Regional Council has announced it will be using nature-based solutions to offset its hard-to-reduce greenhouse gas emissions and achieve carbon neutrality by 2050. Silver Fern Farms launched its 'Net Carbon Zero by Nature' beef, where farmers must protect and restore their farms' native bush to ensure the equivalent of 100% of product emissions are absorbed by trees growing within the farms where the animals were raised, and Ravensdown voluntarily planted 7.2 hectares of its Dipton quarry to promote biodiversity and sequester carbon. Freshwater conservation is a focus for Genesis and Meridian, which are funding efforts to protect native wildlife in the Waitaki braided river systems (where their hydroelectric plants are situated), and for DB Breweries, which has constructed a new wastewater treatment facility in Timaru to divert by-product and recycle it as compost while protecting the local waterways.

#### Innovating and decarbonising agriculture

A number of our members are at the cutting edge of agriculture innovation and decarbonisation. In the last year, AgriZeroNZ has brought four new shareholders on board (including SBC members The a2 Milk Company and ASB), bolstering its private sector investment into research for innovative technologies like methane vaccines by \$13 million. Meanwhile, ASB and Pāmu have partnered to accelerate industry-good projects like achieving more methane-efficient livestock, Zespri has launched an innovation fund to shape a sustainable future for the













kiwifruit industry, and Synlait has partnered with Nestle to fund innovative on-farm emissions reduction tools. Members are setting ambitious targets, with Fonterra announcing a 30% intensity reduction in on-farm emissions by 2030 and Westpac setting emissions intensity targets for its Dairy and Sheep & Beef lending portfolios.

#### Leading the way towards low-emissions transport

SBC members are at the forefront of the transition to a low-emissions transport system. Over the last year, KiwiRail signed an agreement with a Swiss manufacturer for nine low-emissions locomotives, Coca-Cola Europacific Partners joined an initiative to link electric trucks with coastal shipping, and Hiringa Energy has been building its green hydrogen refuelling infrastructure to power key heavy freight routes. Air New Zealand has made significant progress on its Mission Next Gen Aircraft and sustainable aviation fuel endeavours, including a hydrogen trial with other members Toyota and Hiringa, and Christchurch Airport has become one of the first airports in the world to achieve a new standard of decarbonisation. Meridian selected a zero-emission hydrofoil ferry for lake Manapouri, Westpac announced interest-free lending to purchase an EV, and Counties Energy is converting end-of-life EV batteries into an energy storage system for recharging other EVs.

#### Strengthening the 'S' in ESG

Our members are committed to keeping people at the heart of good business. In the last year, All Heart NZ's corporate resource recovery programme has supported 487 communities and saved or raised over \$18m funds for community need, and SkyCity Auckland signed a Kōtuitanga with Ngāti Whātua Ōrākei, recognising them as tangata whenua who hold mana of the land SkyCity occupies. Members are being recognised for their social sustainability mahi, with New Zealand Steel and Plant & Food Research taking home awards at the 2024 Diversity Awards, Powerco and Downer winning at the 2023 Rainbow Excellence Awards, and Ethical Investing NZ receiving a commendation at the 2024 Mindful Money Awards. Westpac has launched sustainability training for all its employees, CHEP was named the Top Employer in Asia Pacific and New Zealand, and Chorus has rolled out Auckland Council's FutureFit tool to get staff engaged in climate action. It's also been great to see Comvita, Netlogix, Oxygen Consulting and Synlait become certified B-Corps over the last year.

Full coverage of the ongoing impact SBC members are having through their sustainability efforts is captured and celebrated in our <u>Pānui newsletter</u>.

"SBC is a great support and education network, no matter how far you are into your sustainability journey."













### Supporting our members

- Organising and delivering the largest ever Climate Change & Business Conference alongside EDS and CLC
- Creating new content focused on educating members on sustainability communications and greenwashing, including a series of videos, an SBC member communications transparency policy, a new 'Candid Comms Corner' in Pānui, and supporting online events
- **Delivering 46 issues of Pānui**, with average member click rates increasing from 7% to 12% and a total of 120 members showcased
- Publishing 898 member stories and events in Pānui, with an average of 20 members showcased per issue
- Creating and showcasing 17 blogs and over 20 videos
- New **'SBC Hot Seat' video series launched**, and five episodes delivered
- Delivering 38 virtual events, workshops and capability/training events, four working groups and 10 in person networking opportunities
- Holding six consultation workshops with input from 77 member organisations, into the joint Pre-Election Policy Priorities Paper and the Climate Change Commission's draft advice to Government on the 2050 emissions reduction target, the fourth emissions budget, and the potential inclusion of international aviation and shipping emissions in the 2050 target
- 62 in-person attendees to the 2023 Annual Council Meeting, and 87 to the 2024
   Auckland and Wellington Summer Social events



### **60** SBC Net Promoter Score (NPS)

(up 12 points on last year, putting us into the 'excellent zone'). In New Zealand 30 is considered a good target and 50 is excellent.

"I really look forward to the Pānui in my inbox every week and find it's a useful and interesting mix of news, features, and updates."

> "The material shared and events run have allowed us to engage people from across the organisation."

"The SBC team are kind, helpful and dedicated - they're always willing to find answers or help if you reach out a member."

Member survey, 2024

#### Extending our reach

- 23% year-on-year growth in our LinkedIn following
- 6,300+ engagements and an average 44% engagement rate on linked posts
- 6,500 page views, increasing from 28% year-on-year since FY22
- 258 posts in 365 days
- 6,114 reactions, 240 comments and 195 reposts

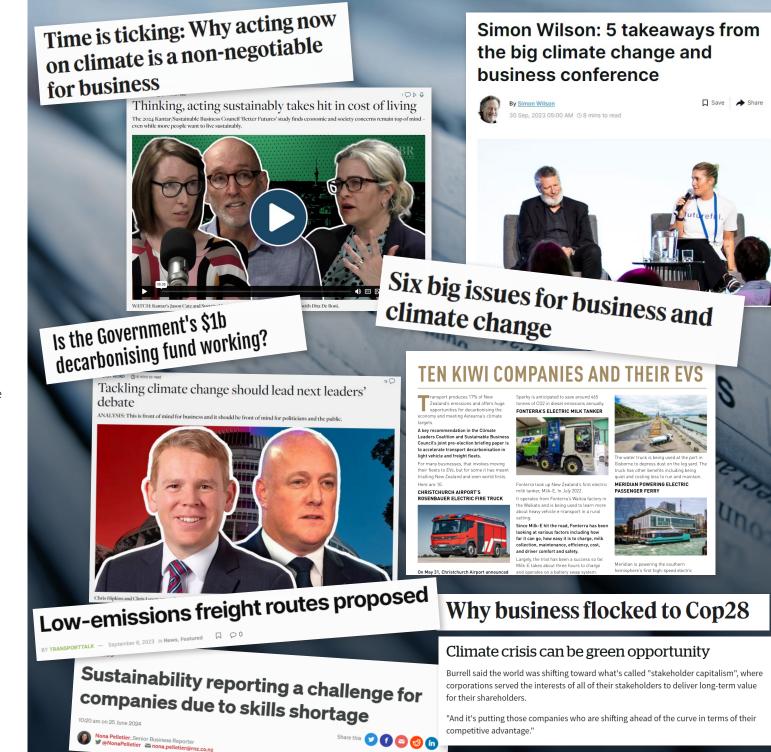
Member satisfaction with the implementation of each of our three pillars of work had an average rating of above 4 (out of 5). *Member survey, 2024* 



### In the media

- 51 SBC-related media mentions, including interviews, feature pieces and opinion editorials
- SBC comment sought in response to a range of domestic news, including around climate related disclosures, greenwashing, industrial decarbonisation, Aotearoa New Zealand business representation at COP28, our freight decarbonisation workstream, the Sustainability Professionals Research, and more
- Eight media statements released

"SBC is instrumental in being the voice of business in NZ and helping companies navigate sustainability and climate change through the services they provide in these areas."



### ur members

Businesses from all sectors, ambitious for a sustainable New Zealand.





























































































































































































































































### **Financials**

	30 June 2024
Income:	\$2,609,885
Salaries:	\$1,974,401
Projects:	\$129,133
Consultants:	\$147,370
Administration:	\$250,206
Events & Engagement:	\$158,599
Research & Communications:	\$23,990
Total Expenditure:	\$2,683,700

# SBC advisory board members across 2023/2024



**Garreth Marriot**SBC Chair
Managing Director OCS
Australia and New Zealand



**Dean Fraser** General Manager Transformation Te Runanga o Ngai Tahu



Simon Tucker
Director of Global
Sustainability, Stakeholder
Affairs and Trade
Fonterra



**Kirk Hope** Chief Executive Officer BusinessNZ



**Claire Walker**Chief People Officer
Genesis Energy



**Chris Aughton**Chief Executive Officer
Enviro NZ Limited



**Neeraj Lala** Chief Executive Officer Toyota



**Angela Busby** Chief Strategy Officer AIA New Zealand



**David Morgan**Chief Operations
Integrity & Safety Officer/
Chief Pilot Air New Zealand



**David Benattar** Chief Sustainability Officer The Warehouse Group



**Laura Scampion**Country Managing Partner
DLA Piper New Zealand



**Amanda Whiting**Chief Executive Officer
IAG

#### Remembering Advisory Board member Alice Andrew



We would like to acknowledge the passing of Alice Andrew, Technical Director of 4Sight Consulting (now SLR) and the incredible legacy she left behind, including the passion, expertise, integrity, humility, humour and kindness that she contributed over the course of her tenure on the SBC Advisory Board. Although Alice is no longer with us, the significant impact she had on not only the people around her, but also on Aotearoa New Zealand's sustainability journey, will resonate for decades to come.

### **About us**

The Sustainable Business Council (SBC) is a CEO and executive-led membership organisation with 130 businesses from all sectors, ambitious for a sustainable New Zealand.

Our vision is a New Zealand where business, people and nature thrive together. We actively work to fulfil our purpose of mobilising New Zealand's most ambitious businesses to build thriving and sustainable future for all. Our network gives our members unparalleled influence and empowers them to take largescale collective action. SBC connects member businesses, partners, and sectors to

create impact that no single business could achieve alone.

We hold our members to account by asking them to fulfil member commitments and championing our members to be at the leading edge of sustainability. In doing so, we inspire other businesses to take action.

### Join us

We welcome organisations who are ambitious for a more sustainable Aotearoa New Zealand to join the SBC membership. Visit our website below and get in touch with us to learn more about becoming a member.

sbc@businessnz.org.nz

www.sbc.org.nz



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SBC is a division of BusinessNZ, which is CarboNZeroTM certified.

