# Sustainability and why it matters for business

October 2025

Green Metrics

# Foundations: the Carbon Context

# What does a tonne of carbon look like?

509 $_{m3}$ = 15 x 20 ft

(volume) Shipping containers

*or*

430L = 2,200km

Petrol driving distance (assuming 5.1L / 100km)


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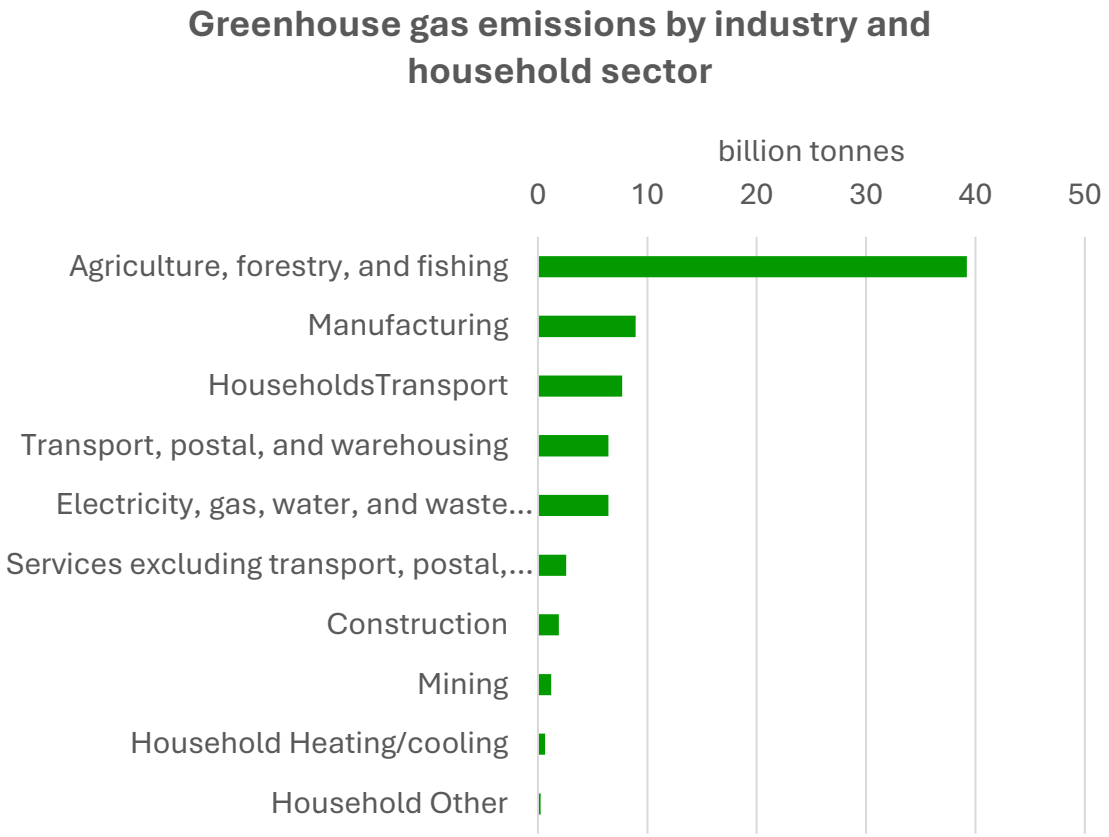
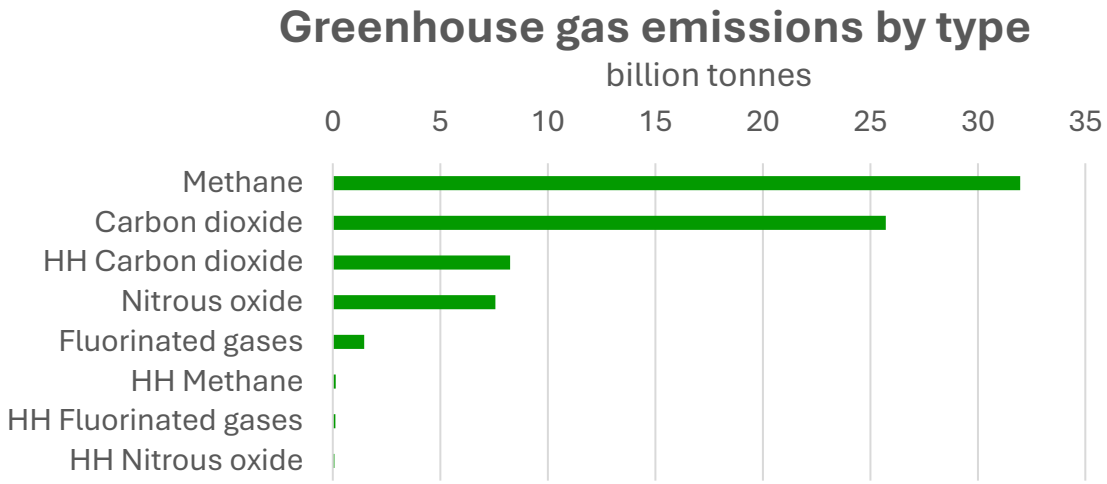
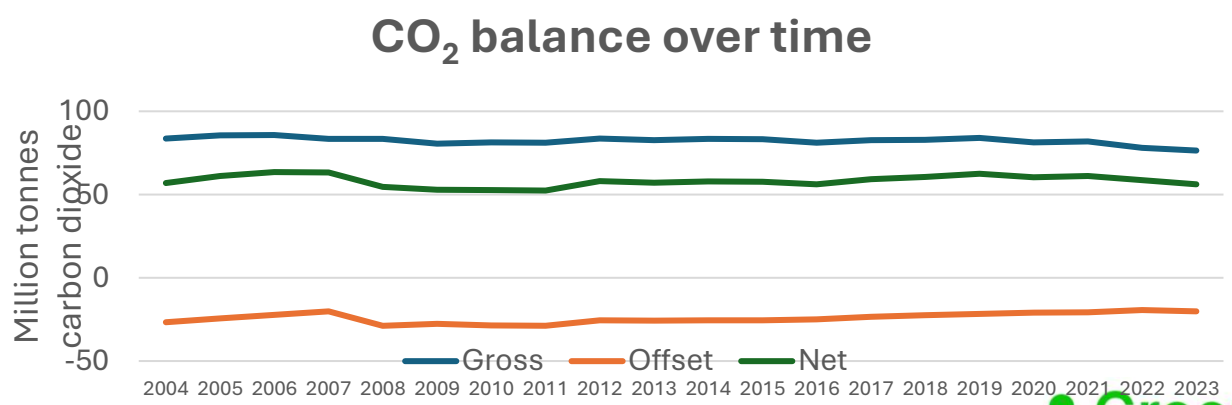
# New Zealand's environmental footprint

## Agriculture, Forestry and fishing make up the majority of our emissions




## Methane is the largest greenhouse gas type




Year ended 2023

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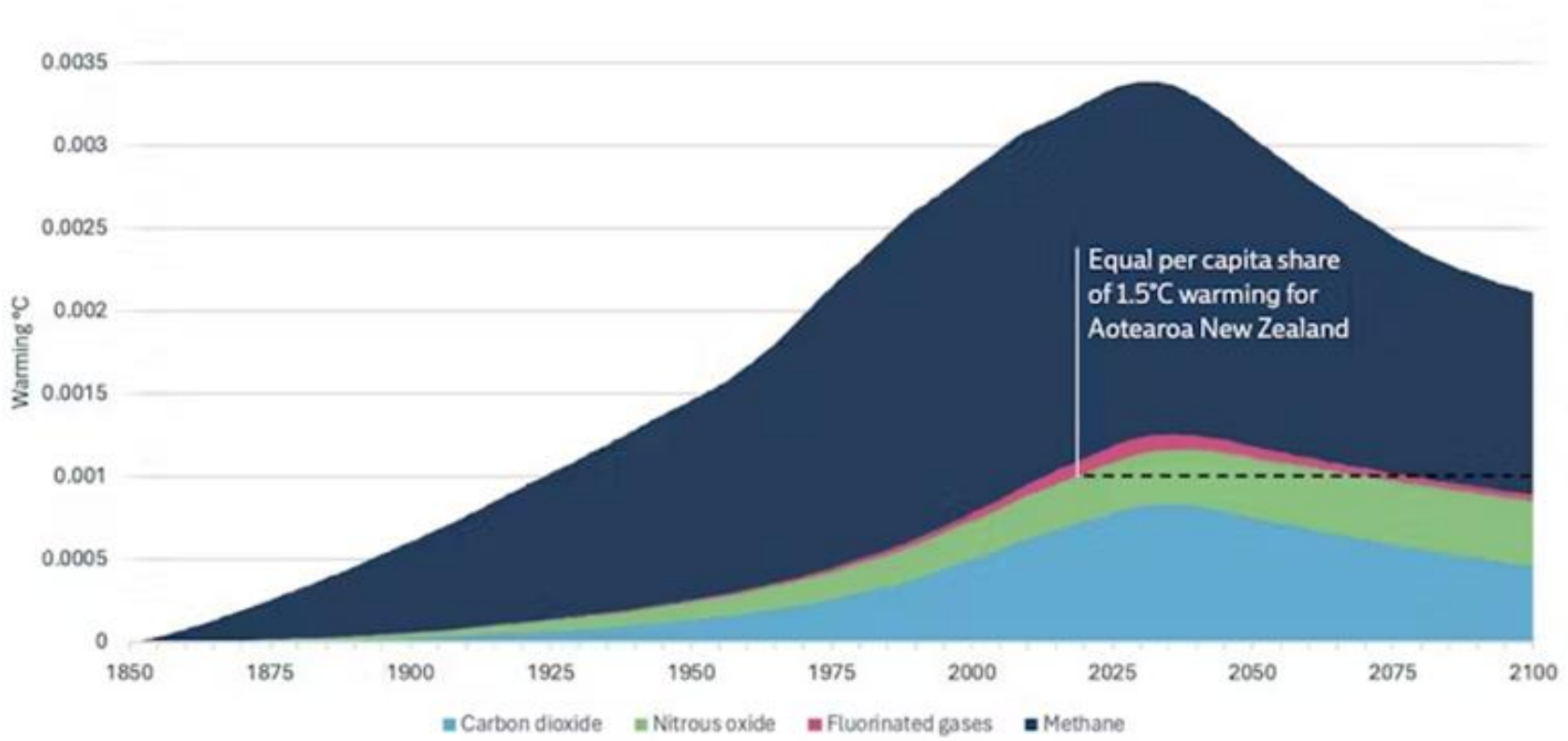
# NZ contribution to global warming

**New Zealand makes a small contribution to the overall global warming from emissions, but it is high on a per capita basis**




This graph shows the contribution to warming from emissions in New Zealand (1850–2100) under the current 2050 target. Climate Change Commission, CC BY-SA

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# New Zealand Carbon Inventory

## Not all carbon sources and sequestration activities are counted in international reporting and targets

| | Actual | | | Targets | |
|---|---|---|---|---|---|
| **Year** | **2005** | **2006** | **2023** | **2030** | **2030** |
| **Gross Emissions** | **85,545** | **82,647** | **76,416** | | |
| Biogenic Emissions | | 30,346 | 29,529 | 27,311 (-10%) | 23,063 (-24%) |
| Other Emissions Recorded | | 52,301 | 46,887 | | |
| Emission recovery | -24,363 | -23,510 | -20,197 | | |
| **Net Other Emissions** | | 28,791 | 26,690 | | Zero |
| **Net Emissions** | 61,182 | 59,137 | 56,219 | 23,063 | |

*Not reported in NZ Green house Inventory estimates*

| | |
|---|---|
| Natural sequestration (native forestry and blue carbon) | -12,800 |
| Imports and export transportation | 5,000 – 9,400 |
| Territorial sea | -1,475 |
| NZ economic zone sea | -35,436 |

*Data is in kilo tonnes of carbon dioxide*

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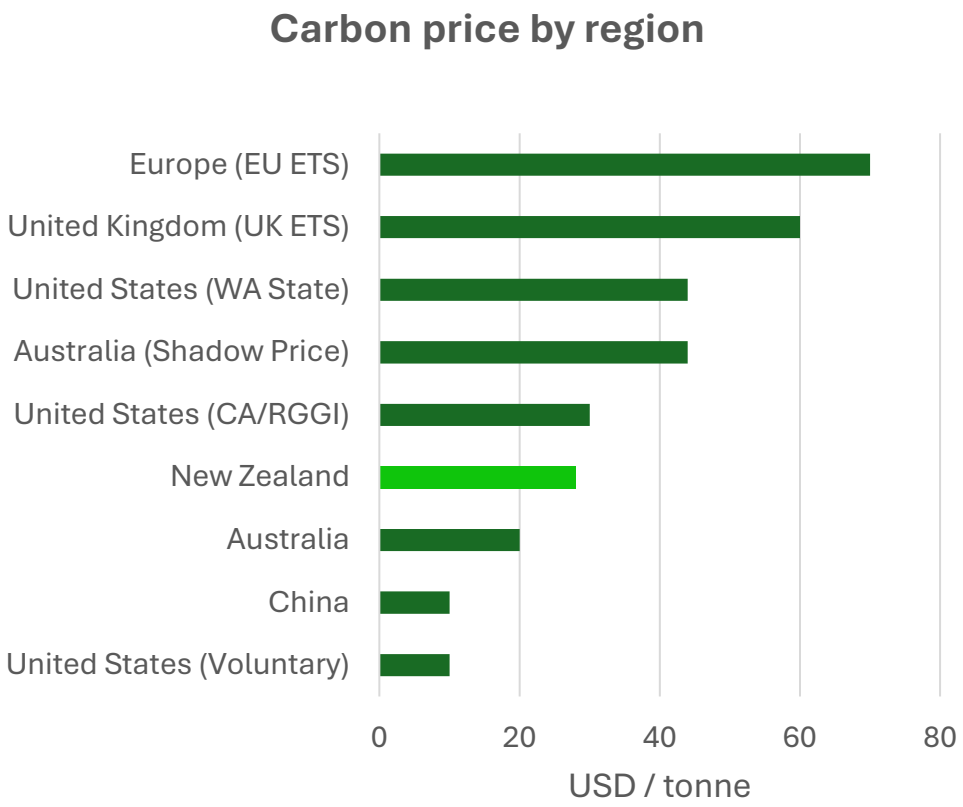
# Carbon credit pricing

**The current price of 1 tonne carbon credit in New Zealand is $49 – this has collapsed from a high of $70 earlier this year, and is low relative to other regions**




**Key drivers by region**

- **NZ:** ETS unstable - oversupply, failed auctions, shifting policies.
- **Australia:** Low spot price, higher shadow price used.
- **USA:** Prices vary - fragmented, voluntary markets.
- **EU/UK:** High, stable prices - strong regulations.

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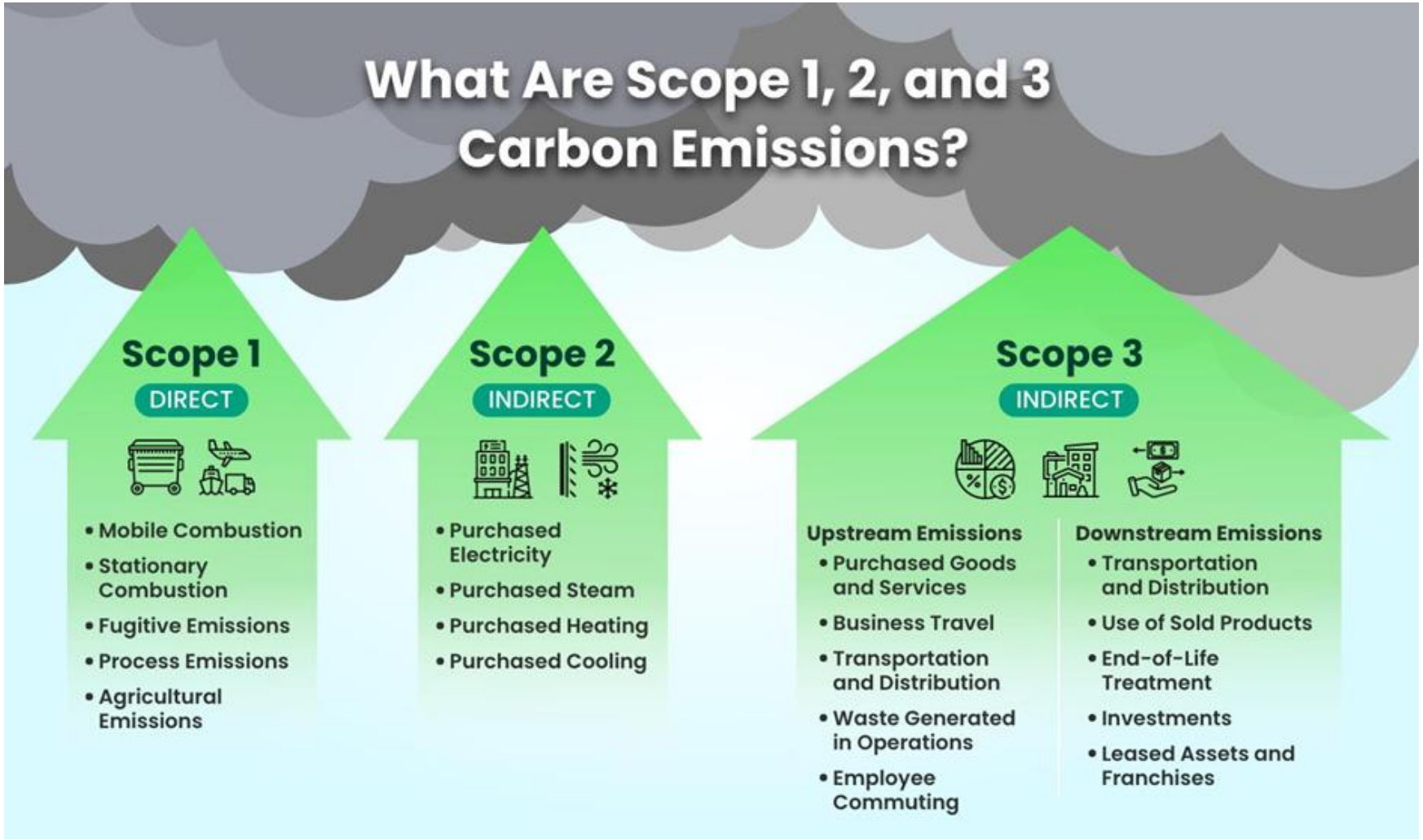
# Terminology – scope 1, 2 and 3

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# Measurements & tools

# Different measurement protocols exist

focus for Green Metrics

| Framework | Primary Audience | Scope | Verification | Key Focus |
|---|---|---|---|---|
| IFRS S2 | Investors<br>Corporate | 1, 2, 3 | Subject to audit | Disclosure and Transparency |
| ISO 14064 | Regulators<br>Companies<br>Customers | 1, 2, 3 | Voluntary to independent Audit | Company measurement , projects, products and services |
| B Corp | Customers<br>Stakeholders | 1, 2, 3 | Independent Audit | Company Measurement |
| SBTI | Companies<br>Investors | 1, 2, 3 | Target validation | Science – aligned target setting |

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# Various reporting tools are available

**We have tried them all out and recommend Sumday because of it's connectivity, and ability to cover activity and spend. The platforms are yet to reach maturity but are in development constantly**

| Solution | Green Halo | Carbon Trail | Sumday | Cogo | Trace | Toitū | Climate Action Toolbox | Excel |
|---|---|---|---|---|---|---|---|---|
| **GreenMetrics score out of 10** | 6 | 6 | **8** | 5 | 5 | 4 | 4 | **Not Recommended** |
| **Scope** | All | All | **All** | All | All | 1 & 2 | 1 & 2 | |
| **Activity and Spend** | All | All | **All** | Spend Only | Spend? | Activity | Activity | |
| **Integration (with accounting / ERP software)** | No | Xero | **Xero and more in dev** | Xero | Xero | None | None | |

Sumday is free for year ended March 2026 if you are on Xero

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# Why it matters for business?

# Why It Matters for Business

- Climate change is real, witness weather extremes this year
- Sustainability is more than just compliance  “box ticking ”
- “Slow walking” is not going to make it
- There are financial returns from sustainability actions and investments
- Access to green finance on favourable terms
- There are strategic benefits for sustainability strategies

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# Pressures and challenges

**Time to start now**

## External pressures

- Regulatory landscape – Zero carbon targets
- Market and consumer expectations
- Financial & investment trends
- Global trade engagements
- Policy shifts and uncertainty

## Internal challenges

- Initiating carbon measurement
- Navigating complex regulations  ISO 14064
- Assessing ROI on sustainability
- Resource constraints and priorities
- Fear of public scrutiny

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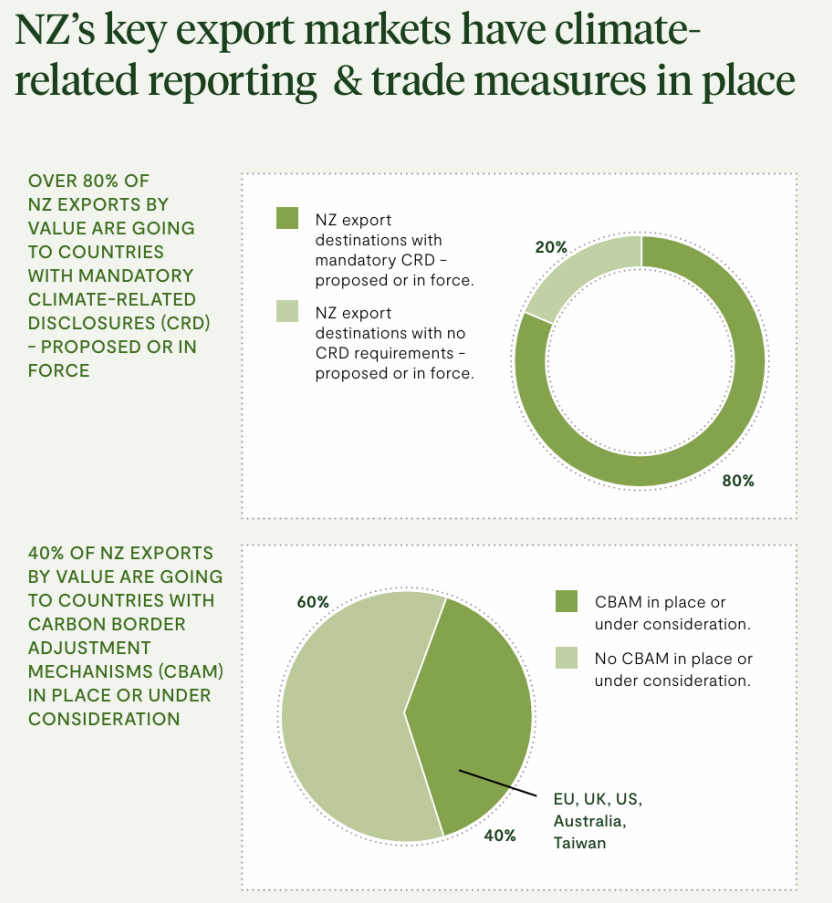
# Our key markets will start demanding this

## Even if New Zealand regulation does not demand it, our main export markets require reporting




- Only a limited number of New Zealand companies are directly regulated.
- But supply chain expectations and shifting consumer preferences will indirectly impact a wide range of businesses - from large corporates to smaller SMEs in supply chains.

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# Supplier Sustainability Codes of Conduct

**Some large New Zealand companies and government agencies are introducing Sustainability Codes of Conduct for their suppliers**

**Requirements**

- Measure and reduce greenhouse gas emissions
- Use energy, water, and materials efficiently
- Minimise waste and prevent pollution
- Source raw materials responsibly
- Comply with environmental laws
- Disclose environmental data and demonstrate continuous improvement in sustainability practices

NEW ZEALAND GOVERNMENT PROCUREMENT

CBRE

Foodstuffs NZ

Fletcher Building

PRINCIPLES FOR RESPONSIBLE BANKING

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# Practical actions that you can take

# Practical sustainability action plan

**How to start tackling supplier pressures & emissions without getting overwhelmed**

| | | | | |
|---|---|---|---|---|
| **1** Acknowledge the pressure | **2** Do a quick carbon snapshot | **3** Identify top emission areas | **4** Quick wins first | **5** Map supplier risks |
| **6** Assign internal ownership | **7** Build an action roadmap | **8** Communicate internally & externally | **9** Review and tailor | **10** Be audit ready (optional) |

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# Typical actions: product based business

## (e.g. Manufacturing, Construction, FMCG)

| Action | Type | Emissions Scope | Expected ROI | Capex Required | Notes |
|---|---|---|---|---|---|
| **Conduct Energy Audit** | Quick Win | Scope 1 & 2 | High | No | Identifies immediate energy-saving opportunities. |
| **Implement LED Lighting** | Quick Win | Scope 2 | High | Yes (Low) | Reduces electricity consumption; quick payback. |
| **Optimize Logistics Routes** | Operational Outcome | Scope 3 | Medium | No | Decreases fuel usage and delivery times. |
| **Switch to Electric Forklifts** | Investment Project | Scope 1 | Medium | Yes (Medium) | Lowers on-site emissions; may qualify for subsidies. |
| **Install Solar Panels** | Investment Project | Scope 2 | Medium | Yes (High) | Long-term energy savings; potential for grid feedback. |

**Notes:**

- **Emissions Scope**: Refers to the Greenhouse Gas Protocol scopes.
- **Expected ROI**: Qualitative estimate based on typical outcomes; actual ROI may vary.
- **Capex required**: Indicates if capital expenditure is needed and the relative scale.

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# Typical actions: service-based business

## (e.g. Manufacturing, Construction, FMCG)

| Action | Type | Emissions Scope | Expected ROI | Capex Required | Notes |
|---|---|---|---|---|---|
| **Promote Remote Work** | Quick Win | Scope 3 | High | No | Reduces commuting emissions and office energy use. |
| **Adopt Cloud-Based Solutions** | Operational Outcome | Scope 2 | Medium | Yes (Low) | Enhances efficiency; may reduce hardware needs. |
| **Transition to Electric Vehicles** | Investment Project | Scope 1 | Medium | Yes (High) | Cuts fuel costs; aligns with sustainability goals. |

**Notes:**

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# Wrap up

# The Green Metrics approach

We make carbon action **practical, financially smart, and achievable** for business

✅ **Carbon Footprint Assessments** – From quick snapshots to ISO-auditable reports

✅ **Tailored Reporting** – Compliance-ready and business-relevant

✅ **Emissions Forecasting** – Integrated into financial planning

✅ **Financial Evaluation** – What's the ROI of carbon reduction projects?

✅ **Green Loan Applications** – Helping businesses secure **favorable finance**

✅ **Carbon Credits & Offsets** – Evaluating smart carbon reduction strategies

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# Considerations

1. **Have any of your customers or corporate clients started asking you for sustainability information or codes of conduct**

2. **What's one quick win your business could implement in the next 30 days to reduce emissions or improve sustainability?**

3. **Who in your business is currently responsible for sustainability—and does that person have the time and authority to drive change?**

4. **What's the biggest barrier stopping your business from taking the next step—data, cost, time, or something else?**

5. **What would a "carbon-smart" version of your business look like in 3 years—and what's the first step to get there?**

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## How You Can Help

**Curious? Let's chat** – No obligation.

**Know a business that needs help with carbon accounting?** Let's connect.

**Let's explore how we can work together.**

**Thank you!**

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