



Sustainability framework template

Environmental, Social
& Governance (ESG) Framework

New Zealand
October 2022



Background to the template

Society's growing concern for sustainability has influenced organisations to prioritise wider stakeholder benefits over shareholder wealth.

Not that the two are mutually exclusive: research shows that the careful management of Environmental, Social and Governance (ESG) risks can benefit organisations in a number of ways, including by lessening the likelihood of regulatory actions, reducing operational costs, and improving top line growth and productivity.¹

Businesses can do as much, if not more, than governments in advancing the sustainability movement. Organisations that prioritise sustainability and manage it well, are increasingly attractive to investors and other stakeholders including employees. While those that fail to manage such issues effectively may be perceived as higher risk for investment and management liability insurance purposes.

Being a proactive, early adopter of ESG factors as part of a well-balanced enterprise risk management plan will identify both risks to be managed and opportunities to be taken.

A robust approach to sustainability is the management of risk in its widest sense. To QBE, long-term success shows that a business has managed its risks and opportunities equally.

With increasing regulation and policy intervention on sustainability issues, alongside international standards, best practice frameworks and voluntary initiatives in specific regions and sectors - it's now more important than ever for SMEs to develop a structured approach to considering and managing sustainability.

As a helping hand, QBE have put together this templated Sustainability Policy and ESG framework to help you identify, monitor, and manage a range of ESG issues.

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¹ Henisz et al, 2019, Five ways that ESG creates value.

Environmental

Businesses have a critical role to play in environmental custodianship, both for reasons of social responsibility, and commercial pragmatism.

The scientific evidence for human-generated climate change is “unequivocal”¹ and the impact of pollution on our natural world is increasingly clear. Governments are being urged to enact robust emissions targets, and consumers are increasingly evaluating the environmental credentials of their suppliers and advisers.

Poor environmental practices are also having direct financial implications for businesses: in the last 40 years, extreme weather has cost the insurance industry \$1.875 trillion² and research cautions that the world stands to lose close to 10% of total economic value by mid-century if climate change stays on the currently-anticipated trajectory.³

Equally, there are economic opportunities in seeking to avoid or limiting the effects of climate change and environmental pollution, which are likely only to grow in the coming years.

Social

Social factors can relate to any stakeholder that your business operation touches or is impacted by, such as the workforce, suppliers, customers, investors, competitors, and communities. The social aspect of ESG is broad, with issues ranging from inequality, workforce rights, customer satisfaction, community engagement, and supply chain risk.

Collaboration and inclusiveness are key to driving social initiatives that create value and empowerment across a diverse population of inter alia abilities, status, age, ethnicity, and race. Engaging with social factors is fundamental to being able to address environmental and governance issues as well.

Overall, having a social purpose and embedding values within the company culture can create positive commercial, social, and reputational benefits for any company, large or small.

Governance

Society has growing expectations of organisational behaviours and performance. Robust governance underpins a culture that builds the values on which financial performance turns, so the two are intrinsically linked.

Sound governance should start in the boardroom and permeate through the entire organisation - through its vision, values and purpose, strategy and operations, incentive structures, and in the evaluation and transparent reporting of indicators deemed essential to performance.

¹ IPCC Sixth Assessment Report AR6 Summary for Policymakers

² Billion-Dollar Weather and Climate Disasters: Overview National Centers for Environmental Information NCEI noaa.gov

³ Swiss Re Institute, 2021, The economics of climate change: no action is not action.

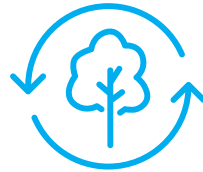
The issues included in this template framework include a range of short, medium, and long-term threats that need to be managed as part of any organisation’s wider risk profile. Traditional methodologies such as setting risk appetite, allocating responsibilities and resources, and agreeing metrics for review at senior level, can bring sustainability into mainstream risk management. Other issues that have not been included within the template may also be relevant to your organisation, sector or industry. The list of issues is therefore not intended to be read restrictively.

Sustainability Policy Statement

At we're committed to providing sound governance, being a good employer, ensuring the sustainability of our business, and making a positive contribution to the societies, economies, and communities in which we operate. Without this commitment and the systems to deliver it, we risk damage to our brand, reputation, the long-term success of our business and the environment in which we operate. In some cases, we may also be in danger of breaking the law, failing to comply with regulations, or failing to meet our fiduciary or Directors' obligations.

Our Sustainability Framework (as summarised beside and in the detailed sections that follow) helps us to manage risks, identify opportunities, and drive performance* across the areas of sustainability that are most important to us and our stakeholders. We will build current and emerging ESG considerations into our wider management and risk decision-making processes and ensure that our ambitions for sustainability are not side-lined to a standalone initiative.

**Not all ESG issues will necessarily be relevant or will hold the same priority for your organisation as for others. The issues listed in the detailed framework (starting on page 6) can be used as a starting point to help you select / deselect potential issues and prioritise their significance accordingly. The list is not intended to be read restrictively. Some useful links are provided in the introductory notes to the framework which should help to establish approaches and priorities.*



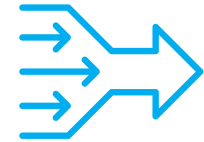
Environmental

- Climate emergency
- Greenhouse gas emissions
- Energy efficiency
- Biodiversity
- Deforestation
- Pollution
- Resource scarcity
- Waste and water management
- Just transition



Social

- Community relations
- Human rights
- Animal welfare
- Diversity and inclusion
- Employee engagement and working practices
- Customer satisfaction
- Consumer protection
- Public policy advocacy



Governance

- Board and senior management composition
- Conduct and ethics
- Fair remuneration
- Financial crime prevention
- Data protection
- Whistle blowing
- Tax transparency
- Procurement and partnerships
- Investment strategies
- Independent audit

Scope

This policy covers the whole of our business operations and everyone who works for us including our direct / first tier supply chain.

Responsibilities

Our Board is ultimately responsible for oversight of ESG-related matters, including relevant risks and opportunities. The [Board / SMT] will approve the ESG strategy for the organisation and management's role in implementing the strategy.

A nominated member has been allocated responsibility for oversight of this policy, with support from management and operational representatives as follows:

Sustainability area*	Lead	Support / Working group / Committee	Additional members
Environmental		e.g. from roles involving Facilities, Purchasing, Risk	
Social		e.g. from HR, Purchasing, Sales & Marketing, Risk	
Governance		e.g. from roles involving Finance, HR, Audit, IT, Compliance, Risk	

**Smaller businesses may wish to combine all three areas/working groups*

The Board will agree and oversee delivery of our ESG initiatives and build a culture to support and recognise contributions to achievement of our sustainability goals.

The Board will share information on sustainability, our specific ESG issues and goals, objectives and progress, including it in everyday discussions.

The Working groups / Committees identified above will lead on delivery of those objectives at operational level and ensure direction and training is provided as required.

Everyone can contribute to our ESG goals by completing any training required, modelling desired behaviours, generating ideas, and sharing stories of outcomes.

External expertise may be brought in to support achievement of our ESG objectives.

Monitoring, review & improvement

The will review the goals for each ESG issue and establish new objectives every 12 months. In consideration of these, we will conduct research (via market research and our usual feedback processes) to establish stakeholder expectations and ideas for improvement. We will review this policy at least annually to ensure it keeps pace with developments and stakeholder demands and needs.

Goals and metrics will be set, monitored, and reported on at senior management level at appropriate intervals. As needed, actions will be instigated to ensure we meet objectives. Where metrics cannot yet be established, we will develop goals around our vision and values, and report annually to stakeholders on our objectives and achievements.

* This may become helpful once appropriate structures are in place and impact reporting becomes possible.

** There are numerous impact performance monitoring tools available on the market - some openly available, others linked to consultancy services.



ESG Framework for

Introductory note to the framework

The contents of the following framework are ideas to get you started and should be adapted to suit your own sustainability aspirations and priorities. Specific goals and targets will be determined by the sector you operate in, how material the factors are in your business model, and where you are in your sustainability journey.

The following are useful starting points to help in your initial considerations:

1. COSO: Enterprise Risk Management - Applying enterprise risk management to environmental, social and governance-related risks. This Guide supports the identification and management of ESG risks and explains how to integrate ESG issues into your wider (enterprise) risk management system.
2. ISO: ISO 26000:2010 - Guidance on social responsibility. This International Standard provides guidance on social responsibility and framework development and includes a useful list of ESG issues to consider. They are in a different structure to this template framework, as rather than follow the 3 core ESG themes, the ISO model addresses individual ESG issues across six themes which are: Human rights, Labour practices, The environment, Anti-Corruption, Consumer Issues, and Community involvement and development.
3. The Sustainability Accounting Standards Board (SASB) Materiality Map provides useful analysis of material ESG factors for a variety of business and industry sectors.
4. The Principles for Sustainable Insurance. This guide focuses on insurance but includes some useful heatmaps that any organisation may use to identify which ESG issues are particularly relevant to the sector's it operates in. Issues are rated on four levels so that priorities can be identified.
5. The Global Reporting Initiative (GRI) G4 Disclosure Guidance aligns with the ISO 26000 guidance and provides lengthy lists of potential areas for reporting on ESG issues and there are additional sector-specific ones available for some industries and business sectors.

[COSO: Enterprise Risk Management - Applying enterprise risk management to environmental, social and governance-related risks](#)

[ISO: ISO 26000:2010 - Guidance on social responsibility](#)

[The Sustainability Accounting Standards Board \(SASB\)](#)

[The Principles for Sustainable Insurance](#)

[The Global Reporting Initiative \(GRI\) G4 Disclosure Guidance](#)

The template framework gives some generic examples of types of goals and targets that might be set, but the specifics will be unique to each organisation. In thinking about these, the following questions might need to be asked:

Stakeholder review: Do we know who all our stakeholders are? What do they want and need from us? Should we engage directly, if so, with whom?

Is there any guidance from our own sector, professional bodies, regulators, industry bodies?

- Competitor analysis: What are our peers doing and how do we measure up against them? Do we want to lead, stay in the middle of the pack, or follow?
- What are our own motivations and aspirations in this field and how will these drive objectives and targets? Overarching commitments in the form of policies may be needed but how will those commitments be realised?
- If this is completely new and a baseline needs to be established, what are: the legislative requirements; regulatory standards; customer, investor, and other stakeholder demands?
- If you already have policies defined, then how do you know if these are effective? Are metrics \ KPIs set, or are they needed? Once set, are they reported and acted upon?
- Think about the whole value chain both upstream and downstream. How can you influence those involved? How will our suppliers of goods and services be brought into this? Do any of our customers have business models that conflict with our ESG goals and perhaps those of some of our other customers. How is this reviewed and handled?



Environmental factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
E1 Climate Emergency	Build awareness of and adopt working practices that minimise our organisation's impact on climate change.	<p>We will:</p> <ul style="list-style-type: none"> - Identify accountabilities for oversight, implementation, monitoring and reporting of our climate strategy and achievements - Comply, as a minimum, with all applicable climate-related legislation and take into consideration governmental / Local Authority aspirations and targets - Assess our exposure to both physical and transition climate change risks and opportunities and establish a policy that sets attainable goals and targets for supporting action against climate change either across the organisation as a whole or by location, division, or function - Introduce policies that support a net-zero carbon strategy - Include climate considerations in our product development, supplier selections and business planning (where possible, using suppliers and service providers whose business practices and policies support positive climate practices) - Raise awareness and train employees on environmental issues - Liaise and communicate with local community / suppliers / stakeholders. 	<p>Global References</p> <ul style="list-style-type: none"> - World Climate Laws - CDSB Framework - TCFD Financial Disclosure - GRI 305 Standard - Climate Action Tracker <p>Local References</p> <ul style="list-style-type: none"> - Aotearoa NZ first Emissions Reduction Plan ERP - Climate Change Response Act 2002 - New Zealand

'SMART' Goals These are your generic goals & targets that can be applied to all elements of the framework. Choice will depend upon ESG maturity and ambitions e.g.:

- | | |
|--|--|
| <ul style="list-style-type: none"> i. Understand relevant directives and establish compliance levels ii. Assess physical & transition climate risks & opportunities iii. Establish wider stakeholder wants and needs iv. Establish a policy and support infrastructure v. Agree procedures and provide training | <ul style="list-style-type: none"> vi. Identify key metrics and establish a baseline vii. Sign up to <N> (scheme) viii. Reduce/increase <x> by n% ix. Achieve <y> by <date> x. Achieve <z> award. |
|--|--|

Environmental factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
E2 Greenhouse Gas Emissions	Reduce the carbon footprint of our business activities.	<p>We will:</p> <ul style="list-style-type: none"> - Purchase energy from utility suppliers using environmentally friendly sources - Use outsourced service providers e.g. data centres and webhosting that use green energy, and have stringent carbon footprint measures in place - Actively encourage modes of transport which minimise environmental impact - Use local suppliers where possible for goods and services - Remove company cars where not essential, and where required, replace at end of life with electric or hybrid vehicles - Audit our total emissions across our business activities including buildings, infrastructure, transportation, working practices, supply chain and identify ways to reduce our carbon footprint annually - Where it is not possible to further reduce our carbon footprint, offset our net carbon footprint using a certified provider or scheme. 	<p>Global References</p> <ul style="list-style-type: none"> - ISO 14064-1 - ICROA Best Practice - GHG Protocol Accounting Standards - Reporting Standards for Financial Industry <p>Local References</p> <ul style="list-style-type: none"> - Financial Sector Climate-related Disclosures and Other Matters) Amendment Act 2021 - New Zealand - Climate Change Programme - NZ Gov

'SMART' Goals

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
E3 Pollution	Minimise air, noise and light pollution as far as practicable.	<p>We will:</p> <ul style="list-style-type: none"> - Ensure that heating and air conditioning systems are well maintained - Use non-toxic cleaning products and other consumables wherever possible - Monitor and minimise air, noise and light pollution directly and indirectly generated by our business. 	<p>Global References</p> <ul style="list-style-type: none"> - WHO Env Health <p>Local References</p> <ul style="list-style-type: none"> - EPA:Statement-of-Intent-2019-to-2023.pdf - NZ Air Quality Standards

'SMART' Goals

Environmental factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
E4 Energy Efficiency	Ensure our buildings, equipment, and vehicles, are energy efficient	We will: <ul style="list-style-type: none"> - Monitor and reduce the consumption of electricity and other energy sources on an ongoing basis - Optimise the use of energy-efficient lighting, heating and equipment (e.g. IT equipment) - Correctly maintain buildings, utilities, equipment, and vehicles to minimise energy use - Adapt existing buildings to reduce energy consumption and select any future premises with energy consumption as a significant factor (e.g. designed to maximise use of passive ventilation, heating and cooling) - Purchase new equipment and replace end of life equipment with those that have a high energy efficiency rating - Manage energy consumption by promoting efficiency and reducing usage consistent with best practice. 	Global References <ul style="list-style-type: none"> - GRI 302 Standard - EG Energy Audit Checklist Local References <ul style="list-style-type: none"> - New Zealand Energy and Efficiency Conservation Strategy 2017-2022 - New Zealand - Low emissions business - NZ Gov

'SMART' Goals

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
E5 Waste and Water Management	Minimise the level of waste destined for landfill.	We will: <ul style="list-style-type: none"> - Optimise the efficiency of water use across our business - Manage our waste sustainably, reducing, reusing, and recovering waste wherever practicable - Eliminate the use of single-use plastics and other single use items where alternatives are realistically available - Apply Reduce-Reuse-Recycle to our consumption and purchases - Reduce landfill waste to a minimum - Introduce improved water collection and storage, and wastewater management systems using best practice to reduce negative environmental impact including flooding and maximise positive environmental benefits. 	Global References <ul style="list-style-type: none"> - GRI 303 Standard - ISO 14000 Family Local References <ul style="list-style-type: none"> - Waste Minimisation Act 2008 NZ MFTE - NZ Guidance

'SMART' Goals

Environmental factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
E6 Resource Scarcity	Minimise the use of scarce or non-renewable resources.	We will: <ul style="list-style-type: none"> - Reduce the consumption of raw materials and energy - Purchase goods and consumables from environmentally friendly suppliers - Include the durability, reliability and ease of repair in the selection criteria for purchasing goods and products - Actively promote the principle of reducing consumption and waste, maximising the re-use of materials, and recycling wherever possible - Minimise printing but where necessary use double-sided ink-saver printing by default and reuse non-confidential wastepaper printed one-side only - Eliminate marketing and promotion techniques that include for instance direct “junk” mail or throw-away plastic merchandise. 	Global References <ul style="list-style-type: none"> - Resource Scarcities in the Race to Sustainability I Boston Consulting Group - GRI 301 Standard - GRI 417 Standard Local References <ul style="list-style-type: none"> - Resource Management Act 1991 NZ MFTE

'SMART' Goals

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
E7 Biodiversity & Protection of wildlife	Minimise our organisation's adverse impacts on flora and fauna, and the wildlife species within that environment.	We will: <ul style="list-style-type: none"> - Seek to further understand our impact and seek to minimise or offset any disruptive effect our business poses in this regard - Ensure that building and landscaping projects, where possible, create new habitats, and actively support biodiversity and the protection of wildlife - Ensure our biodiversity objectives are shared by our supply chain - Support community projects which enhance biodiversity, ecosystem restoration and wildlife habitats. 	Global References <ul style="list-style-type: none"> - GRI 304 Standard - The Dasgupta Review Local References <ul style="list-style-type: none"> - Aotearoa New Zealand Biodiversity Strategy: Biodiversity (doc.govt.nz)

'SMART' Goals

Environmental factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
E8 Deforestation	Maximise the use of recycled or responsibly resourced products.	We will: <ul style="list-style-type: none"> - Reduce consumption of wood and paper-based products where practicable - Ensure products are sourced from post-consumer waste or Forest Stewardship Council (FSC) certified sources - Eliminate consumption of products linked to deforestation (e.g. palm oil, soy, non-FSC certified woods) - Initiate a paperless office project - Support initiatives aimed at re-forestation. 	Global References <ul style="list-style-type: none"> - ISO 38200 - Investor Guide to Deforestation - Ceres Local References <ul style="list-style-type: none"> - Sustainable Land Management and Climate Change Plan of Action - New Zealand

'SMART' Goals

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
E9 Just Transition	To ensure our transition objectives align with the Paris Agreement for meaningful work, social inclusion and poverty eradication.	We will: <ul style="list-style-type: none"> - Develop a strategy and plan early to achieve our transition objectives - Access Just Transition funding support and advice where available - Consult with relevant stakeholders about our strategy and plans - Provide or facilitate opportunities to retrain, reskill or redeploy those workers that are vulnerable in the move to a net-zero economy - Invest in a low emissions infrastructure as appropriate to our business - Include Just Transition outcomes and impacts in our disclosures. 	Global References <ul style="list-style-type: none"> - Just Transition - OECD - What is Just Transitions? Institute for Human Rights and Business (ihrb.org) - Just Transition (iisd.org) Local References <ul style="list-style-type: none"> - MBIE & Just Transition

'SMART' Goals

Social factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
S1 Community Relations	Build and maintain positive community relationships with local and other stakeholders.	<p>We will provide resources and infrastructure that supports community relations so that our organisation can fulfil its duty as a corporate citizen, and specifically:</p> <ul style="list-style-type: none"> - Raise awareness of the importance of our role in the community - Support local community events and charitable causes - Encourage staff to participate in local fundraising events - Aim to recruit personnel from the local community - Enable the use of facilities for charitable causes where practicable. <p>And as finances allow, we will:</p> <ul style="list-style-type: none"> - Sponsor educational and / or working experience within our business for local individuals - Donate through cash donations, pro bono work, or discounted services - Invest in social, health, educational, technology, wealth creation, and cultural projects that support our local and wider communities. 	<p>Global References</p> <ul style="list-style-type: none"> - GRI 413 Standard - ISO 37101 Standard <p>Local References</p> <ul style="list-style-type: none"> - Community Engagement - NZ Gov
'SMART' Goals			

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
S2 Human Rights	Respect the rights of the individual to be treated with dignity, respect, and fairness.	<p>We will:</p> <ul style="list-style-type: none"> - Put in place a policy and supporting infrastructure that underpins our commitment to protect human rights considering relevant directives including: <ul style="list-style-type: none"> - International Bill of Human Rights - International Labour Organisation's eight core Conventions; and - United Nations Guiding Principles on Business and Human Rights - Monitor modern slavery risks within our supply chain - Ensure that adequate resources are provided to oversee and monitor supplier performance in respect of human rights and report accordingly. 	<p>Global References</p> <ul style="list-style-type: none"> - GRI 406 Standard - GRI 409 Standard - GRI 412 Standard - GRI 414 Standard - ISO 26000 Standard - UN Declaration <p>Local References</p> <ul style="list-style-type: none"> - Human Rights & Freedoms - NZ Gov
'SMART' Goals			

Social factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
S3 Animal Welfare	Minimise your organisation's use of animals and / or the physical or mental harm to animals.	<p>We will:</p> <ul style="list-style-type: none"> - Seek to further understand our impact and seek to minimise or offset any disruptive effect or harm our business poses to animals - Ensure our animal welfare objectives are shared by our supply chain - Ensure that building and landscaping projects, where possible, create new habitats and promote animal welfare - Support community projects related to animal welfare - Ensure authorisation certificates are held for live animal transport as required, including training on ventilation / temperature. - Hold relevant certification for farming or ethical animal treatment during clinical trials - Ensure compliance with Guiding Principles on Replacement, Reduction and Refinement. 	<p>Global References</p> <ul style="list-style-type: none"> - Global Animal Law <p>Local References</p> <ul style="list-style-type: none"> - Animal Welfare Legislation - NZ

'SMART' Goals

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
S4 Diversity & Inclusion	Promote inclusivity by developing a diverse workforce and ways of working.	<p>We will encourage cultural change through:</p> <ul style="list-style-type: none"> - Diverse leadership representation - A strong pipeline of diverse talent - Fair reward, recognition, and opportunity for advancement - Inclusive policies embedded in all areas of our business practices - Inclusive employment practices from recruitment to departure. 	<p>Global References</p> <ul style="list-style-type: none"> - GRI 405 Standard - GRI 406 Standard - Women's Empowerment Principles <p>Local References</p> <ul style="list-style-type: none"> - Your Human Rights - NZ

'SMART' Goals

Social factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
S5 Employee Engagement and Working Practices	Maximise staff engagement, job satisfaction, retention, and productivity.	<p>We will employ fair working practices in the following areas and will regularly seek engagement with our personnel to judge satisfaction and ideas for development:</p> <ul style="list-style-type: none"> - Management and supervision - Communications - Working relationships including controls for the prevention of discrimination, harassment and victimisation, and appropriate grievance handling processes - Role requirements, clarity, expectations, and resources - Reward and recognition structures - Training and career development opportunities - Conditions of work including health, safety, wellbeing, and social protection - Support for a healthy work-life balance. 	<p>Global References</p> <ul style="list-style-type: none"> - GRI 404 Standard - ISO 10018 - ISO 10015 - ISO/DIS 23326 - BSI Code of Practice - BS ISO 23326 <p>Local References</p> <ul style="list-style-type: none"> - Employment New Zealand - Health & Safety Regulations at a Glance - NZ
'SMART' Goals			

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
S6 Customer Satisfaction	Maximise customer satisfaction to differentiate our organisation from that of our competitors.	<p>We will:</p> <ul style="list-style-type: none"> - Provide effective customer service and support - Provide a fair and responsive complaint and dispute resolution service - Gain useful customer feedback across our full range of services, products, people, providers ensuring fair opportunity and a range of channels for all customers. 	<p>Global References</p> <ul style="list-style-type: none"> - ISO Customer Satisfaction - ISO 10002 - BSI Customer Satisfaction <p>Local References</p> <ul style="list-style-type: none"> - Business Guidance - NZ - New Zealand Consumer Surveys
'SMART' Goals			

Social factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
S7 Consumer Protection	Safeguard our customers against any detriment experienced in dealing with our organisation.	<p>We will:</p> <ul style="list-style-type: none"> - Always seek to abide by principles of consumer protection devised for our sector including legal and regulatory requirements, and relevant standards and codes - Observe fair marketing practices by providing accurate and unbiased information - Observe fair contractual practices and abide by relevant laws - Ensure fair access to our products / services considering any vulnerable groups which we serve - Protect consumers' / customers' health and safety - We will safeguard our customers' confidential and personal data in accordance with applicable legislation - Promote sustainable consumption and provide appropriate awareness and education materials (as relevant to our products / services). <p>We will not knowingly:</p> <ul style="list-style-type: none"> - Discriminate or allow corporate or personal views and biases to affect our service provision - Take unfair advantage of customers and other stakeholders - Act in a way that is misleading or abuses trust but seek to learn from any failings should they occur. 	<p>Global References</p> <ul style="list-style-type: none"> - GRI 416 Standard - GRI 418 Standard - ISO/CD 31700 - UN Guidelines <p>Local References</p> <ul style="list-style-type: none"> - Consumer Protection
'SMART' Goals			

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
S8 Public Policy Advocacy	Actively contribute to lobby movements that support our sustainability objectives and those of our business sector.	<p>We will:</p> <ul style="list-style-type: none"> - Behave responsibly in any political involvement we have - Identify and seek representation on industry / sector bodies - Respond to consultation and other feedback processes - Support relevant bodies to ensure they can influence issues of importance to our customers, our organisation, sector, and our values - Seek alliances with other like-minded organisations. 	<p>Global References</p> <ul style="list-style-type: none"> - GRI 415 Standard <p>Local References</p> <ul style="list-style-type: none"> - Interest Groups in NZ
'SMART' Goals			

Governance factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
G1 Board & Management Composition	Ensure that our senior management team reflects our Diversity & Inclusion Principles and has the skills needed to ensure the long-term success of our business.	We will: <ul style="list-style-type: none"> - Ensure plans are in place for orderly succession to both the board and senior management positions - Oversee the development of a diverse pipeline for succession - Provide training and development for succession candidates - Base all appointments on merit, promoting diversity of gender, social and ethnic backgrounds, cognitive and personal strengths - Have an independent review of our board effectiveness (including subcommittees and independent roles) undertaken regularly. 	Global References <ul style="list-style-type: none"> - GRI 102 Standard - BS 13500 - OECD Principles - ACCA Diversifying the Board Local References <ul style="list-style-type: none"> - NZX Corporate Governance Code

'SMART' Goals

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
G2 Conduct & Ethics	Establish a workplace culture that promotes ethical behaviour and transparency by all people.	We will: <ul style="list-style-type: none"> - Abide by a Code of Ethics and Conduct recognising the responsibilities we all have to our company, to each other, to our customers, stakeholders, suppliers, communities, and government - Act safely, ethically, and responsibly - Fulfil our legal and regulatory obligations - Respect and abide by relevant laws and regulations in relation to property rights including IP and personal data - Provide effective direction through strong leadership and communication - Promote ESG values in our value chain - Hold colleagues accountable for their behaviour. 	Global References <ul style="list-style-type: none"> - GRI 102 Standard - ECI Ten Tips - IESBA Handbook Local References <ul style="list-style-type: none"> - IBE Ethics at Work - NZ - Conduct of Financial Institutions

'SMART' Goals

Governance factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
G3 Fair Remuneration	Develop remuneration practices designed to support our business strategy and promote long-term, sustainable success.	We will: <ul style="list-style-type: none"> - Seek to further understand our impact and seek to minimise or offset any disruptive effect or harm our business poses to animals - Ensure our animal welfare objectives are shared by our supply chain - Ensure that building and landscaping projects, where possible, create new habitats and promote animal welfare - Support community projects related to animal welfare - Ensure authorisation certificates are held for live animal transport as required, including training on ventilation / temperature. - Hold relevant certification for farming or ethical animal treatment during clinical trials - Ensure compliance with Guiding Principles on Replacement, Reduction and Refinement. 	Global References <ul style="list-style-type: none"> - Exec Compensation - UN Fair Remuneration Local References <ul style="list-style-type: none"> - Equal Pay Amendment Act - NZ
'SMART' Goals			

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
G4 Financial Crime	Apply robust governance, effective risk procedures and adequate internal control mechanisms to manage the risk of financial crime in all its guises.	Operational controls will be implemented to reduce the likelihood of our organisation becoming involved in financial crime, whether by internal or external actors, and to contain, report, track and learn from any events that do happen, including in the areas of: <ul style="list-style-type: none"> - Bribery & corruption (including gifts, hospitality) - Money Laundering - Sanctions Breaches - Fraud Prevention. 	Global References <ul style="list-style-type: none"> - GRI 205 Standard - BSI PAS 17271 Local References <ul style="list-style-type: none"> - AML-CFT Legislation - dia.govt.nz - Serious Fraud Office
'SMART' Goals			

Governance factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
G5 Whistleblowing	Create an environment where open communication is encouraged, valued, and acted upon without fear of recrimination.	We will: <ul style="list-style-type: none"> - Promote and encourage the reporting of wrongful acts or outcomes by all staff and view this as a positive act and a valued contribution to our organisation - Establish channels and structures for reporting concerns and actively promote their use for speaking up - Ensure all reports are reviewed independently, acted upon as necessary and feedback given to the individual who reported - Communicate case studies of speaking up and positive outcomes to encourage others to do likewise. 	Global References <ul style="list-style-type: none"> - GRI 102 Standard - ISO 37002 - OECD Protection Local References <ul style="list-style-type: none"> - Protected Disclosures
'SMART' Goals			

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
G6 Tax Transparency	Respect the spirit as well as the letter of the law in seeking to pay our fair share of taxes.	We will: <ul style="list-style-type: none"> - Be guided local or jurisdictional guidance on tax principles in developing a transparent and constructive relationship with our relevant Tax Authorities. 	Global References <ul style="list-style-type: none"> - OECD Automatic Exchange of Information - OECD Handbook Local References <ul style="list-style-type: none"> - Tax Transparency
'SMART' Goals			

Governance factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
G7 Procurement & Partnerships	Reduce risk and identify opportunities to integrate ESG across all our commercial relationships.	We will: <ul style="list-style-type: none"> - Seek to understand ESG risks and opportunities in our supply chain and partnerships including material differences in relevant sectors and territories - Subject all commercial partnerships to due diligence against agreed ESG criteria and committee / group approval prior to contracting - Monitor commercial partnerships to ensure no conflict situations arise - Aim to partner and purchase only from those that share our ESG values. 	Global References <ul style="list-style-type: none"> - ISO 44001 - Supply chain sustainability BSI Group Local References <ul style="list-style-type: none"> - Sustainable Procurement

'SMART' Goals

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
G8 Investment Strategies	Where we have cash surplus or funds to invest, we will ensure these are managed by partners that share our ESG values.	We will: <ul style="list-style-type: none"> - Periodically review our banking and investment arrangements to ensure that partners' policies support our sustainability values and goals - Ensure pension schemes we contribute to align with our sustainability commitments, and encourage employees to do likewise for personal schemes - Seek to invest for financial return in areas that have a social or environmental benefit. 	Global References <ul style="list-style-type: none"> - ISO 14097 - ISO 55000 - BSI PAS 7341 - UN PRI Local References <ul style="list-style-type: none"> - FMA Guidance for Socially Responsible Investment Products

'SMART' Goals

Governance factors

ESG Issue	General Aim / Commitment	Example statements for managing Risks and Opportunities	Useful Links
G9 Independent Audit	Present a fair, balanced, and understandable assessment of the organisations position and prospects.	<ul style="list-style-type: none"> - Our Accounts will be subject to independent external audit - All business processes will be subject to independent audit - We will seek to implement appropriate standards to benchmark our controls against and have these scrutinised at intervals by third party expert auditors - We will seek to rotate our independent auditors at least every three years to maintain full independence. 	Global References - Handbook of the International Code of Ethics for Professional Accountants Local References - NZX Corporate Governance Code
'SMART' Goals			
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