HITTING THE TARGET

HOW TO SET AND ACHIEVE
EMISSIONS REDUCTION TARGETS

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INTRODUCTION

HITTING THE TARGET

How to set and achieve emissions reduction targets

The release of New Zealand's first Emissions Reduction Plan (16 May 2022) has put the need to reduce our collective carbon footprint firmly in the spotlight. It's also provided more clarity on how New Zealand's climate change goals will impact people and businesses across every sector.

As well as a top-down direction from government, and from organisations demanding emissions data from their suppliers, there is also a bottom-up impetus for businesses to take action. Consumers are increasingly voting with their wallets by choosing products, services and brands that have demonstrated commitment to sustainability.

We believe the business environment is at a tipping point. Change is coming, whether we like it or not – and faster than many anticipate. This presents challenges, but also opportunities. Strategies to reduce emissions and manage the risks of climate change are becoming an increasingly integral part of any organisation's overall business strategy. The winners in this environment will be those who put the foundations in place to manage the demands of customers, regulators and their own staff, and embrace a more climate-conscious approach to the way they do business.

This ANZ Insights paper is the second in a series aimed at helping New Zealand businesses build those foundations. Our first paper examined how businesses can take the first steps – measuring their greenhouse gas emissions to understand where they come from, and setting a baseline to measure future reductions against. You can read a summary of ANZ Insights: Measuring Your Emissions or read the full document here.

In this paper, we look at the next steps once you have measured your emissions and established a baseline – setting reductions targets and identifying initiatives to achieve them. We also share experiences and learnings from some New Zealand businesses, including ANZ, who have successfully set and achieved emissions reductions targets.

We're grateful to the following businesses who have generously contributed to this ANZ Insights paper by sharing aspects of their emissions reduction journey:

Anderson Lloyd

Established in Dunedin in 1862, Anderson Lloyd is a New Zealand law firm with offices in Auckland, Christchurch, Dunedin and Queenstown. Anderson Lloyd received Toitū net carbonzero accreditation in 2020. Through their greenhouse gas management plan and reduction targets, they are committed to continually reducing their emissions.

Deadly Ponies

Founded in 2005, Deadly Ponies is a New Zealand-based leather accessories brand whose products are sold around the world. They have boutiques in Auckland, Wellington and Melbourne and stockists worldwide, and produce the majority of their pieces from their own atelier in Chiang Mai, Thailand. With a deep commitment to sustainability in all aspects of their operation, Deadly Ponies is Toitū net carbonzero certified and has developed detailed, science based targets to further reduce their greenhouse gas emissions.

The University of Canterbury

The University of Canterbury was the first university in the southern hemisphere to achieve Toitū carbonreduce certification for its emissions reduction strategy. In the ten years since setting its emissions baseline, the University has achieved a 23 per cent reduction in carbon emissions, and has a strategic objective to become net carbon neutral by 2030.

Toitū Envirocare

Toitū Envirocare is one of a number of organisations helping businesses to reduce their carbon emissions. For smaller organisations seeking an easy, way to begin understanding their carbon footprint, the Toitū carbon assess tool is an effective solution.

For organisations wanting to take their climate leadership commitment further, Toitū can assist through their carbon programmes and certification: Toitū carbonreduce, Toitū net carbonzero and Toitū climate positive.

GETTING STARTED

CHOOSING A FRAMEWORK

It's important to use an accepted framework for setting emissions reduction targets and verifying reductions. A framework will:

- Give you a clear structure to help guide you through the process
- Help you align your emissions reduction programme with international standards and best practice
- Help ensure you set targets that are robust and credible
- Provide external validation and certification of your emissions reduction programme.

There are a number of frameworks available. In New Zealand, one of the most widely used is Toitū Envirocare's carbon certification programme, which has three tiers: carbonreduce, net carbonzero, and climate positive. These are recognised globally due to the international standards businesses are required to meet. Toitū helps organisations accurately measure emissions, put in place strategies to reduce them and verify that reductions have been achieved.

The University of Canterbury has Toitū carbonreduce certification, while Anderson Lloyd and Deadly Ponies have Toitū net carbonzero certification, which additionally requires mitigating unavoidable emissions through the purchase of quality carbon credits to achieve net zero emissions (note you must demonstrate year on year reductions to remain certified).

Another widely accepted framework is the Science Based Targets initiative, which is designed to help businesses set emissions reductions goals in line with the global carbon budget. That sets out the global reduction in greenhouse gas emissions required to keep global warming under 1.5°C – the upper limit agreed to in the 2015 Paris agreement, to limit the worst effects of climate change.

Put simply, setting science-aligned targets means organisations are committing to their 'fair share' of the reductions required to limit global warming under 1.5°C. (You can also set science-based targets as part of any of the three Toitū carbon certification programmes, though it's only mandatory on climate positive).

HELP AND SUPPORT

Whatever framework you use, you'll need an external partner to verify your emissions reductions if you want to achieve certification. They can also guide you through the process, which can be daunting for businesses starting out on their own.

The good news is you don't have to be an expert to get started. An external partner can work alongside you to provide the necessary expertise, help and support at each step.

COMMON PRINCIPLES

It's useful to understand some of the fundamental principles and characteristics that are common to most emissions reduction frameworks.

- **Emissions and financial boundaries must be aligned.** This ensures businesses don't split out emissions into 'convenient' outcomes based on company structures. It also means targets should be set at the group level, rather than individual subsidiaries.
- **Targets should be set for each scope.** Scopes are essentially the different sources of emissions in your business. In Measuring your Emissions, we looked at how to break down your emissions into different scopes, but broadly speaking they are:
  - Scope 1 – Direct emissions (produced directly by your business activities, e.g. fuel for company fleets)
  - Scope 2 – Indirect emissions from the generation of energy used in your business
  - Scope 3 – All other indirect emissions (e.g. from freight, waste, taxis or air travel)

To ensure accuracy, you need to set separate reduction targets for each scope.

While businesses have more direct control over their Scope 1 and 2 emissions, in many cases the majority of will occur in Scope 3, which includes emissions created by their supply chain partners. As a result, we expect businesses will increasingly engage with their suppliers about what measures they are taking to measure and reduce their emissions.

- **Absolute emissions vs Emission intensity targets.** Most frameworks require businesses to set targets for both absolute emissions (reducing the total amount of greenhouse gases emitted) and emissions intensity (e.g. the amount of emissions per dollar of revenue/ employee/product, etc.). There are pros and cons of each approach, but setting targets for both will help provide a clear picture of what is happening within the business.

SCIENCE BASED TARGETS INITIATIVE

The Science Based Targets initiative is an international organisation that guides companies in science-based target setting on climate action.

COMMIT

Submit a letter establishing your intent to set a science-based target

DEVELOP

Work on an emissions reduction target in line with the SBTi's criteria

SUBMIT

Present your target to the SBTi's for official validation

COMMUNICATE

Announce your target and inform your stakeholders

DISCLOSE

Report company-wide emissions and progress against targets on an annual basis

Source: https://sciencebasedtargets.org/

WHICH PARTS OF THE BUSINESS TO TARGET?

Once you've established a baseline that shows you which activities in the business are producing emissions and how much, you can make informed decisions about how and where to focus your efforts.

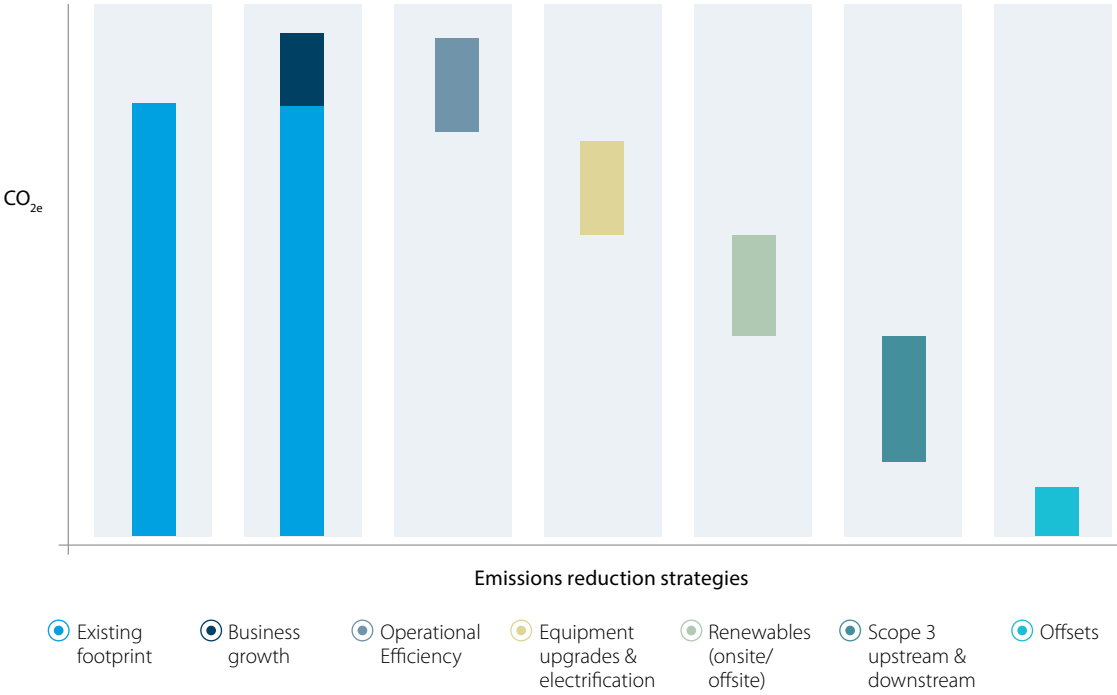
Those decisions will depend on:

- **Materiality** – Which areas will make the most difference?
- **Achievability** – How easy or otherwise will it be to make reductions in each area?

One way of thinking about it is via an emissions 'waterfall'. On the facing page is an example of how a business looking to become carbon zero might break down the different areas they could target (source: IBM Envizi).

Scope 3 includes emissions through air travel or indirectly through distribution and freight.

EMISSIONS WATERFALL



Source: IBM Envizi.

Existing footprint – is their current or baseline emissions.

Business growth – is essentially the baseline adjusted to include future expected growth over the target period.

The rest of the columns show emissions reductions targets for different areas of the business. Each business is different, so each will target different areas and opportunities.

Operational efficiency – reductions in emissions from running your business more efficiently for example, through energy efficiency programs, reducing fuel used for travel, recycling materials, redesigning processes to minimise waste, etc.

Equipment upgrades & electrification – for example, replacing energy-hungry plant and equipment with more energy efficient ones.

Renewables – there are two parts to this:

- Onsite renewables is about replacing purchased energy with energy you generate yourself, for example through solar panels or wind turbines.
- Offsite renewables is about purchasing energy from a more renewable source. In New Zealand, around 80-90% of electricity purchased from the national grid is from renewable sources with the rest generated by burning fossil fuels, which creates greenhouse gas emissions. However some providers offer carbon zero certified electricity which can be factored into your own emissions inventory.

Scope 3 upstream & downstream – Scope 3 includes emissions that you don't directly produce from your business operations but are indirectly responsible for. For example, emissions from airline travel, waste sent to landfill, purchased products and services, and distribution and freight. Many of these emissions originate from your supply chain.

Offsets – where there are unavoidable emissions that can't be eliminated at present, companies looking to be net carbon neutral can offset these with certified carbon credits. But it's important to note that the focus is squarely – and increasingly – on eliminating emissions in the first place. Certification requires companies to make absolute reductions in emissions.

"Typically, the top three emissions sources are where most companies should focus their efforts."

Toitū Senior Technical Account Manager, Ben Nistor

FOCUS ON THE BIGGEST OPPORTUNITIES FIRST

The emissions waterfall is one way of analysing your business and identifying reductions opportunities, but your actions depend on your particular business and carbon footprint.

Toitū Senior Technical Account Manager Ben Nistor says the key is understanding the size of the opportunities within your business. "For example, waste makes up only around 4% of most companies' carbon footprints, so it may be better to focus elsewhere, at least initially on larger emissions sources. Typically, the top three emissions sources are where most companies should focus their efforts."

As the following examples demonstrate, it's often pretty clear where the biggest sources, and the biggest reduction opportunities, exist.

For example, the main source of greenhouse gas emissions at the University of Canterbury is the use of coal for heating. "It's the largest source of emissions by far," says the Pro-Vice-Chancellor Sustainability Professor, Jan Evans-Freeman. "In a normal year (without covid), burning coal contributes to around half of our emissions. That's why we've committed to reducing coal-based emissions by 80% by the end of 2024, from our 2010 baseline."

To do it, they are introducing alternative heating sources with a lower emissions profile and have plans for use of new ground source heat pumps, the planning for which is well underway.

"Achieving that switch from coal will reduce our greenhouse gas profile significantly," says Evans-Freeman. "So the focus now is on reducing emissions in other areas, which may be more difficult to achieve."

"For example, air travel has been another large source of emissions for us. Networking is incredibly important in academia, and academics build their networks by attending and giving talks at conferences and other events. While the pandemic has seen some conferences move online, research shows they are less effective in terms of growing your professional networks," she says.

Given the materiality of travel-related emissions, however, the University has set targets to reduce air travel by 5% per annum taking 2019 as the base year, until approximately 2030.

With offices and clients around the country, travel (particularly air travel) is also one of the major sources of emissions at law firm Anderson Lloyd, along with electricity usage.

"Those two areas [air travel and electricity use] are our major focus" says General Manager Digital & Marketing Kelly-Ann Harvey, who has a dual role co-ordinating the firm's sustainability initiatives, "because that was where we could make the biggest difference."

"You can spend a lot of time on things that don't really have much impact. It's important to focus on what will deliver the greatest results."

Anderson Lloyd set targets to reduce both air miles and kilometres travelled by 5%, along with a 2% reduction in emissions from purchased electricity, by 2023. They also set targets to reduce paper consumption by 15%, and to reduce emissions intensity by 7.5%.

Deadly Ponies chose to set science-based targets for reducing its emissions. Head of Operations & Sustainability Alex Herd says it was a challenging process, but it was important to the business to set targets in line with the Paris Agreement's goal of keeping global warming below 1.5°C.

10%

REDUCTION IN ENERGY CONSUMPTION BY 2022

DEADLY PONIES

23%

REDUCTION IN SCOPE 3 EMISSIONS BY 2026

DEADLY PONIES

80%

REDUCTION OF COAL-BASED EMISSIONS BY THE END OF 2024

UNIVERSITY OF CANTERBURY

"The main source of greenhouse gas emissions at the University of Canterbury is the use of coal for heating. It's the largest source of emissions by far. In a normal year (without covid), burning coal contributes to around half of our emissions. That's why we've committed to reducing coal-based emissions by 80% by the end of 2024, from our 2010 baseline."

Pro-Vice-Chancellor Sustainability Professor, Jan Evans-Freeman

5%

REDUCTION IN AIR MILES AND KILOMETRES TRAVELLED BY 2023

ANDERSON LLOYD

15%

REDUCTION IN PAPER CONSUMPTION BY 2023

ANDERSON LLOYD

10%

REDUCTION IN TRAVEL RELATED EXPENSES BY THE END OF 2024

UNIVERSITY OF CANTERBURY

"Air travel has been another large source of emissions for us. Networking is incredibly important in academia, and academics build their networks by attending and giving talks at conferences and other events."

Pro-Vice-Chancellor Sustainability Professor, Jan Evans-Freeman

"Toitū were invaluable in helping us establish a baseline and then using their tools to help us set science-based targets. They challenged us to set ambitious targets, while making sure they were achievable," says Alex.

Because its products are sold to customers around the world, it's probably not surprising that freight, and airfreight in particular, was the biggest source of emissions. Emissions from freight are categorised under Scope 3 (indirect) emissions, which Deadly Ponies have committed to reducing by 23%, by 2026.

Energy use, waste to landfill and packaging were other significant contributors. Targets including reducing energy consumption by 10% by 2022 and zero waste certification by 2023 contributed to an overall target of reducing scope 1 and 2 emissions by 14%, by 2026.

ANZ's environmental footprint targets include reducing Scope 1 & 2 emissions by 24% by 2025, and by 35% by 2030 (against their 2015 baseline), a renewable energy target (100%) and absolute targets for reductions in waste to landfill (30%), paper consumption (60%) and water consumption (24%), by 2025.

Our science-based carbon emissions reduction targets are set at group level, with data from ANZ's business in New Zealand and other regions rolled up into the overall targets and measurement.

ANZ Environmental Sustainability Lead Jeff Elliott says the target-setting process is based on extensive research and analysis, both internal and external. "We look at all of our global emissions data sources to get an idea of materiality. We also talk to various teams within the business to get different perspectives and an understanding of what's coming down the line that might have an impact on our emissions profile in the future – for example, business growth, switching from paper to digital statements, or electrifying our fleet."

"We also look outside our business at industry benchmarks, and what's happening in our sector. That helps stretch our thinking in terms of what's required and what's possible. Then it's a matter of reviewing all the options and agreeing on targets that are both meaningful and achievable with the business, before presenting to our governance committees for final approval."

TOP DOWN, BOTTOM UP

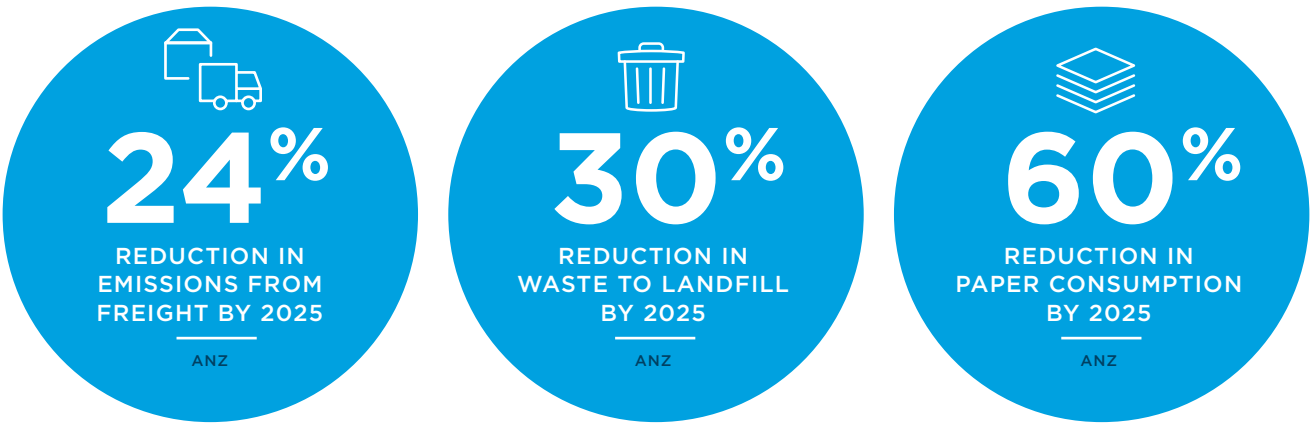
Setting targets is typically an iterative process, and reaching agreement on a target that is both meaningful and achievable can take time. One way of developing targets is by taking both a top down and bottom up approach.

A top down approach could be setting an overall target based on industry benchmarks or science-based targets – for example, to reduce absolute (overall) emissions by 5%.

That's then put through a bottom up lens which looks at how the business operates currently and what might be possible. For example, an initial analysis might be that based on known operational efficiencies, it may only be possible to reduce emissions by 3%.

If there is a gap between the top down and bottom up targets, the challenge is to look harder at what could be done to bridge that gap. Are there additional efficiencies that could be made? Could new, less carbon-intensive equipment be brought in? (This might involve creating a new business case). Could new suppliers offer products or services with a lower emissions profile? And so on.

Consultants can be useful to facilitate this process, by challenging assumptions and providing an external perspective.



ACHIEVING YOUR TARGETS

IDENTIFYING REDUCTIONS INITIATIVES

Setting targets is one thing, but identifying programmes and initiatives to achieve them is another.

During the target setting process there will inevitably be some discussion of potential options, to test whether the targets are achievable or not. But you'll need to take that a step further and create a clear set of initiatives to support each target.

Toitū's Ben Nistor says there's no one-size fits all solution, as each business has its own unique carbon profile. But Toitū's experience is that businesses achieve the best results when the whole organisation is involved, from senior management to the shop floor.

Below are examples of some of the initiatives organisations have put in place to achieve their emissions reductions targets.

At Anderson Lloyd, while some initiatives are for the whole organisation much of the responsibility for reducing emissions is devolved.

"Some of our initiatives are company-wide," says Kelly-Ann Harvey. "For example, our decision to switch to a carbon-zero electricity provider to help reduce emissions from purchased energy. We also invested in the video-conferencing technology to help reduce emissions from flights and travel. But each office also has its own sustainability committee, and is responsible for managing their own emissions."

"We think that makes sense because they understand the local environment," says Harvey. "For example, different councils have different approaches to recycling. Local offices also understand local opportunities, and can leverage off initiatives such as the Aotearoa Bike Challenge in a way that best suits their particular circumstances."

Responsibility is also devolved to individual staff members. "Individuals can make a difference through the decisions they make every day," says Harvey. "For example, everyone in the firm receives monthly updates on firm-wide emissions and how we're tracking, so there's constant transparency and awareness."

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Anderson Lloyd General Manager Digital & Marketing, Kelly-Ann Harvey

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Anderson Lloyd General Manager Digital & Marketing, Kelly-Ann Harvey

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At the University of Canterbury, the target for their main emissions source, coal-fired heating, is being achieved by replacing it with much lower carbon alternatives.

Shorter term, they are switching to wood (biomass) in existing buildings, and Ground Source Heat Pumps (which use stable heat energy from deep underground) in new buildings. Longer term, their goal is to convert legacy buildings to Ground Source Heat Pumps as well.

Like Anderson Lloyd, the University is taking a collaborative, awareness-building approach to reducing their emissions from air travel.

"The real challenge will come as Covid-19 travel restrictions are relaxed," says Professor Jan Evans-Freeman.

"We know there will be a pent-up demand and we also know attending conferences and events is ingrained in the academic psyche. That's why, instead of imposing a strict carbon budget or simply a blanket travel ban, our approach is to bring our community along with us."

"That means encouraging our people to look at options that contribute to both the University's emissions reduction targets, and their professional objectives. For example, travelling less frequently but staying for longer."

Emissions from purchased energy are also a major contributor to the ANZ Group's global carbon footprint – particularly as national grids in Australia and other countries they operate in have a much lower percentage of renewable energy than in New Zealand. To reduce those emissions, they have committed to using 100% renewable energy by 2025 – which will reduce their Scope 2 emissions to zero.

Other initiatives to reduce carbon emissions from ANZ's data centres, commercial buildings, retail premises and ATMs are developed with and driven by ANZ's property team. ANZ also has a 'Green Ambassadors' programme within their business units which helps identify and deliver locally-based initiatives.

With air freight identified as the main source of Deadly Ponies' greenhouse gas emissions, they set up a programme to reduce it as much as possible.

For example, they use sea freight wherever possible as it uses exponentially less carbon than air freight for the same journey. It also takes longer, so this meant adjusting their operational timelines to accommodate this.

Other initiatives included setting up an Australian store as a hub to reduce the need to ship from New Zealand, and shipping to global destinations by direct sea-freight from their own atelier.

Ideas for reducing emissions come from both the top down and bottom up, says Alex Herd. "The founders and directors' commitment to sustainability drives many of the changes but they also come from the team – for example from our quarterly strategic team planning days or from our internal Transparency Committee, which is a group of representatives from across the business".

"Our owners have also done Q&A sessions with internal teams to raise awareness and understanding about what we're trying to achieve. One interesting initiative was our 'Plastic Free July' at Deadly Ponies' support office which gave our team the opportunity to change the way they thought about consumption and ways to reduce their impact on the planet. With our packaging, we have basically eliminated anything that can't be recycled, and in the process we've reduced emissions from waste to landfill significantly."

"We've also found our suppliers very supportive in helping us achieve our targets. Talking to them about what we're trying to do has opened up many new ideas and they've been active in identifying opportunities to reduce emissions."

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Deadly Ponies Head of Operations & Sustainability, Alex Herd

WHAT NEXT?

VERIFICATION AND ONGOING REVIEW

Once you've set your targets and put in place initiatives to achieve them, you may choose to have your plans and your results independently verified. This is usually done through an annual audit. Verification provides assurance to your customers and stakeholders that any claims you make about your emissions reduction programme are accurate. It's also required to achieve certification.

Annual audits are also important opportunities to take stock, assess how you're tracking against your targets and review them if necessary.

For example, the Covid-19 pandemic has led to significant reductions in travel. The result has been that organisations such as Anderson Lloyd and the University of Canterbury have significantly exceeded their emissions reduction targets in those areas over the last couple of years.

Similarly, lockdowns and staff working from home has seen ANZ significantly reduce energy use in its buildings.

The question for many organisations is how to take these trends into account. ANZ, for example, has developed their emissions measurement process to include the emissions from staff working from home, as well as the ongoing impact of flexible working on energy use in ANZ buildings.

These and other changes can create opportunities to review current targets and potentially set more ambitious ones for the future.

REPORTING

Most certification frameworks require emissions reductions targets to be published, along with progress against those targets, as part of the certification process.

The verification and reporting process means you have a credible story to tell your customers, staff and stakeholders – and it's an increasingly important one.

"People want to buy sustainable products," says Alex Herd of Deadly Ponies, "Having very specific and transparent information about our targets and what we've actually achieved shows that we're serious about it."

"We think that's helping us reach a new audience where sustainability is a big factor in their purchase decisions. It's also a positive factor in our recruitment – people want to work in a business that shares their values." You can view Deadly Ponies' Impact report on their website.

Kelly-Ann Harvey says Anderson Lloyd's sustainability programme was driven not only by the Board but by clients and staff as well. "Surveys have told us that people want us to be doing this. It's also consistent with the kind of long term, multi-generational view of our business that we have as a law firm. And the level of involvement of our staff tells us it's pretty important to them too. So it's important that we can clearly demonstrate how we are meeting the expectations of all our stakeholders." You can find out more about Anderson Lloyd's environmental sustainability goals and targets on their website.

The development of the University of Canterbury's sustainability strategy was similarly driven by a wide range of stakeholders. "Our leadership is committed to it and students told us they wanted the University to become more sustainable" says Professor Jan Evans-Freeman.

"For us, it's integral to our purpose both in terms of the way we operate but also preparing our students for a more sustainable future, and contributing to research that enables it. As part of that it's vital that we can show we are 'walking the talk' in terms of our own emissions reductions." You can view the University's carbon disclosure document on their website.

ANZ reports on greenhouse gas emissions as part of its wider ESG (environmental, social and governance) agenda, which in turn is closely linked to its purpose - to shape a world where people and communities thrive. This includes their commitments to supporting financial wellbeing, improved availability and affordability of housing, fair and responsible banking, human rights and employee wellbeing and inclusion. You can view ANZ's latest ESG report on their website.

> "People want to buy sustainable products. Having very specific and transparent information about our targets and what we've actually achieved shows that we're serious about it."
>
> Deadly Ponies Head of Operations & Sustainability, Alex Herd

‘JUST GET STARTED’

TIPS FROM THE FRONTLINE

The key piece of advice from everyone we talked to for this report was to ‘just get started’.

“It can be a challenging process,” says Toitū’s Ben Nistor, “particularly when you’re new to it. There are so many unknowns when you’re setting reductions targets or planning how to achieve them. For example, you don’t know what percentage of renewable energy will be in the National Grid in the future, which can have an impact on your calculations.”

“The only way to know if you’re making progress is by starting – and the first step is often the hardest. It may not always be clear exactly how you’ll achieve your targets as potential solutions often have lots of parts to work through. But there are plenty of examples of what other companies have done that you can tap into.”

“It’s also a good idea to set short (1-3 years), medium (3-10 years or so) and long term targets (20–50 years or even longer). That means you can assess your progress, look at new developments and opportunities, and reset if you need to. I always encourage people to be ambitious with their targets – even if you don’t completely meet them, it’s likely that you’ll have achieved more than you would have with a less ambitious target.”

Deadly Ponies’ Alex Herd says many businesses are shy about sharing their sustainability story because they feel they’re not ‘there’ yet. “But you don’t have to be perfect,” says Alex. “You just have to start.”

That message is echoed by Anderson Lloyd’s Kelly-Ann Harvey. “You can expect some challenges along the way. Data is one – targets are meaningless if you don’t have accurate data to measure them. There’s likely to be some ‘whippiness’ with the data, especially at the start of your journey, and you need to keep working on your processes for collecting it. It’s also important to make use of the resources that are available. But as Covid has demonstrated, things can change rapidly. You just have to adapt along with them.”

ANZ’s Jeff Elliott says target setting is both an art and a science. “Obviously good data is key to setting targets and measuring progress against them. But it’s also about understanding the business, what’s possible, the costs and effort involved and the goals of the Board who are ultimately responsible - in fact we’re often challenged by our Board to push harder. It’s about balancing all those different factors and being prepared to revisit your targets in the light of new information – they’re not set in stone.”

The University of Canterbury has been on their sustainability journey since the mid-1990s, with the establishment of energy efficiency programmes, and it has continued to evolve over the years. Today, sustainability is a major focus of the University’s overall strategic plan, there is a Sustainability Office on campus that acts as a resource for students, staff and the wider University community, and a wide variety of initiatives that range from major infrastructure investments to community gardens and an Edible Campus foraging map.

There is a Sustainability Office on campus that acts as a resource for students, staff and the wider University community, and a wide variety of initiatives including community gardens and an Edible Campus foraging map.

“There are really two types of changes you need to make,” says Professor Jan Evans-Freeman. “One is the practical and sometimes major changes that reduce emissions but which no-one will effectively notice, like replacing coal with Ground Source Heat Pumps. The other part is changing behaviours so that people understand the impact of everyday actions and make lower-carbon choices, and that’s much harder. But attitudes are changing and we’ve seen a huge amount of progress over time – it’s important to just keep going.”

KEEPING ON COURSE

Reducing your greenhouse gas emissions will require a number of decisions to be made in terms of where resources are focused, and which initiatives will be given the green light. Even in smaller businesses, having a governance structure in place is key to ensuring decisions are made in a timely manner, and time and money are directed to where they will have most impact.

As with any business decision, there are often trade-offs to be made between traditional financial measures and environmental outcomes.

We would argue that sustainable business is smart business, and that there are measurable financial benefits – for example, reducing waste and energy can also reduce costs, while incorporating sustainability into your overall customer proposition can help you grow market share and revenue.

But getting the balance between financial and non-financial metrics can be challenging, and a clear and effective decision-making structure is key to achieving that.

WHAT ARE THE NEXT STEPS?

When you're ready to talk about the next step in your sustainability journey, we're ready to help.

sustainabilityinsights@anz.com

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