

SUSTAINABILITY STRATEGY

FY24 - FY26





SOLARZERO SUSTAINABILITY STRATEGY FY24 - FY26

solarZero has a proud history of firsts. We're the first business in Aotearoa to offer solar as a subscription. The first solar company in the world to gain Toitū Carbonzero Certification. And we're the leading installer of solar panels in the country.

And now — our first sustainability strategy.

The report sets out our ambitions to transform our economy's reliance on grid electricity and hold us as an organisation accountable for that journey. This sustainability strategy captures the ways in which we'll weave our kaupapa and technology into the sustainable future of Aotearoa — and beyond.

We know that this planet is changing at an alarming rate and that we must move with it. So we've worked with Sustainability Consultants Go Well to design this strategy with the evolving state of technology, knowledge and the environment in mind.

Together, we've developed ambitious plans to meet them.

Reaching these targets will mean solarZero is not just an organisation that delivers on its commercial promises but grounds itself as an innovative, resilient and future-oriented business that enables not just its customers but its employees to thrive. To do that takes a team of committed human beings who are treated as such. We're a transparent operation, and your feedback is welcome. In fact, we invite it.

Many thanks,

Matt Ward (CEO) & the solarZero Executive Team



HOW WE'LL ACTION THIS STRATEGY

To ensure this strategy is implemented in a timely and successful manner, we've set up the below structure to manage and monitor our progress and impact.



UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The SDGs were “adopted by all United Nations Member States in 2015, to provide) a shared blueprint for peace and prosperity for people and the planet, now and into the future. The 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all countries - developed and developing - in a global partnership, recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.”

We have reviewed and recognised the SDGs as a benchmark for sustainable business practices across the globe, and are aligning our strategy to closely these goals. We have identified 8 Goals and 18 Targets where solarZero can drive positive impact through delivering on this strategy. We have also identified 3 additional SDG Goals and 8 Targets that we are impacting through our business strategy and operations internally, too. The relevant SDG(s) have been included in this strategy, and you can see the full breakdown of the specific Targets in the appendix.

- sdgs.un.org/goals

SOLARZERO SDGS



UNITED NATIONS SDGS





OUR EXISTING PRACTICES OR COMMITMENTS (BUSINESS AS USUAL)

Below are actions / policies / initiatives relating to sustainability that we have already undertaken or continue to undertake as part of our business as usual:

- Certified Toitū climate positive organisation from 2023.
- Certified Toitū Carbonzero certified business from 2010.
- Carbon credits (purchased as part of the climate positive certification), for NZ initiatives including the Hinewai Nature reserve.
- We were the first solar company in the world to gain Toitū Carbonzero Certification.
- 4 in every 10 residential solar systems installed in Aotearoa are solarZero.
- We have prevented 12,107 tonnes of carbon from entering the atmosphere.²
- solarZero is a member of SEANZ (Sustainable Electricity Association of New Zealand) and the EECA Gen Less initiative.



STRATEGY SNAPSHOT

OUR IMPACT AREAS		OUR GOALS	SDG ALIGNMENT
ENVIRONMENTAL	Greenhouse Gas Emissions	Enable our customers and FSPs to collectively avoid more GHG emissions than our business is responsible for emitting while achieving an absolute reduction in our Scope 1 & 2 emissions and an intensity-based reduction in Scope 3. ³	 Climate Action  Responsible Consumption & Production  Life On Land
	Packaging and Waste	To design out waste from our business operations.	 Responsible Consumption & Production
SOCIAL	Staff Health and Wellbeing	Create a great workplace where our people can thrive.	 Good Health & Well-being
	Diversity, Equity and Inclusion	To be a workplace that attracts and retains a diverse set of individuals who feel they can be their true selves.	 Decent Work & Economic Growth  Gender Equality  Reduce Inequalities
	Education and Communication	To be a transparent and open business that actively educates and empowers our staff and transparently communicates our journey.	 Responsible Consumption & Production  Quality Education
GOVERNANCE	Leadership and Influence	To show leadership in the way we conduct business and the transformation to a circular, zero-carbon, and regenerative economy while influencing others to do the same.	 N/A
	Supply Chain Transparency	To have full visibility and traceability of our entire supply chain and share this publicly.	 Decent Work & Economic Growth




³ *Carbon intensity metrics refer to the amount of greenhouse gas emissions per unit of some activity or output. The unit used is turnover.

GOALS AND TARGETS

Outlined below under our three pillars of Environmental, Social, and Governance, are our high-level goals for the next three years. These cover each of the seven impact areas we identified as material, and the corresponding annual targets we've set to help us achieve those goals.

ENVIRONMENTAL


Note: Toitū is currently assessing GHG footprint reduction targets as part of solarZero's ongoing certification process.

OUR IMPACT AREA	Greenhouse Gas Emissions	SDG ALIGNMENT
OUR GOAL	Enable our customers and FSPs to collectively avoid more GHG emissions than our business is responsible for emitting while achieving an absolute reduction in our Scope 1 & 2 emissions and an intensity-based reduction in Scope 3. ⁴	 Climate Action  Responsible Consumption & Production  Life On Land
THE CHALLENGE	To achieve real, measurable impact on residential emissions reductions, we need to drive significant business growth, thereby increasing GHG emissions. We have influence but no control over the energy usage or emissions reductions of our suppliers and installers.	

FY24 TARGETS	FY25 TARGETS	FY26 TARGETS
Climate Positive targets to be added when finalised- re-baselining in this year's audit FY22/23. Set emissions reduction targets for FY25 and FY26 and assign responsibilities for our targets across the business. Set an emissions guideline/budget for the business and business units.	Improve data capture and reporting structure to move to quarterly reporting. Granular data breakdown to be used internally for board decisions, project delivery, and reduction tracking. Ensure all manager roles' job descriptions explicitly incorporate emissions reduction performance.	
Establish monthly tracking of all emissions related data.		
Establish better forward planning to make FSP routes more efficient. Investigate how to support FSPs into electric vehicles.	Reach 50% of FSP providers using electric or hybrid vehicles.	Reach 75% of FSP providers using electric or hybrid vehicles.
Provide access to zero-carbon short-distance business travel options such as scooters, bikes, and free public transport. Implement appropriate workplace facilities to promote biking (Auckland offices), including revamping the current cycle storage area and shower facilities. Ensure vehicles are supplied only to those whose roles require it.	Transition 35% of fleet vehicles to electric. Implement incentives to office-based employees to encourage zero-emission commutes.	Reach 60% of fleet vehicles to be electric. Achieve zero emissions for Scopes 1 & 2.

⁴ Carbon intensity metrics refer to the amount of greenhouse gas emissions per unit of some activity or output. The unit used is turnover.


FY24 TARGETS	FY25 TARGETS	FY26 TARGETS
	Generate onsite renewable electricity where buildings are structurally able to.	
Receive the decarbonisation plans and targets of our top 80% suppliers by spend.	Review all suppliers' targets and determine if we need to make any supply chain changes based on supplier sustainability targets, transparency and progress.	Action necessary supplier changes.
<p>Better understand our stock movements and establish a baseline of how we freight our goods.</p> <p>Establish relevant targets to reduce our associated freight emissions in FY25 and FY26.</p>	<p>Achieve our FY25 freighting targets.</p> <p>Identify freight suppliers who align with our emissions reductions targets.</p>	<p>Achieve our FY26 freighting targets.</p> <p>Prioritise domestic freight suppliers using low or zero-emissions vehicles.</p>
Develop a programme of work to provide consumers with home solutions (e.g. heat pumps, water heating) that support customers in reducing emissions, beginning with a pilot integrating heat pumps into the solarZero offering to support.	Rollout solutions for consumer homes that assist in reducing their emissions.	
Investigate opportunities to support environmental regenerative impacts.	Establish a programme that results in regenerative environmental impacts.	

OUR IMPACT AREA	Packaging & Waste	SDG ALIGNMENT
OUR GOAL	To design out waste from our business operations.	 Responsible Consumption & Production
THE CHALLENGE	We rely on our supplier partners to support us and on improved recycling technology and infrastructure for our batteries, panels and converters.	




FY24 TARGETS	FY25 TARGETS	FY26 TARGETS
Establish a working group to investigate local and global recycling opportunities for our PV panels, batteries, and electronics at the end of their working life. ⁵	Establish a clear timeline and strategy for the management of our PV panel, battery and electronics at the end of their working life to ensure no materials are landfilled or incinerated.	
Complete a packaging audit to identify all packaging materials we receive from our suppliers. This should include the total volume received, the source of the materials used, any assurances/certifications, and the percentage of recycled content they contain.	Set FY27 targets to reduce packaging intensity, ensure all packaging materials are traceable to source and are assured/certified, and increase the percentage of recycled content used.	Achieve our supplier packaging targets.
Identify any unnecessary packaging received from suppliers we could eliminate.	Eliminate all supplier packaging identified as unnecessary.	
Identify any suppliers with which we could establish a reusable packaging system.	If applicable, trial a reusable packaging system with the relevant supplier(s).	
Identify any supplier packaging that is neither recyclable nor compostable. ⁶	Eliminate all supplier packaging that is neither recyclable nor compostable.	
Engage with our FSPs ⁷ to gather data on existing volumes of packaging disposed of and method of disposal.	Ensure 100% of packaging supplied to FSPs is recycled.	
Identify any opportunities to eliminate unnecessary packaging and possible reusable packaging solutions to ensure 100% of recyclable packaging is recycled.	If applicable, trial a reusable packaging system with relevant FSP(s).	
Review our current waste management practices and set targets to improve.	Achieve FY25 waste minimisation targets.	Achieve FY26 waste minimisation targets.
Develop a plan to become a zero waste business (send no non-hazardous materials to landfill or to be incinerated).	Reach a 50% reduction in non-hazardous materials from our HQ to be sent to landfill or incinerated.	Ensure no non-hazardous materials from our business operations are sent to landfill or incinerated. Identify solutions for any hazardous materials to be recycled/repurposed/reused.

GOALS AND TARGETS



SOCIAL

OUR IMPACT AREA	Staff Health and Wellbeing	SDG ALIGNMENT
OUR GOAL	Create a great workplace where our people can thrive.	 Good Health & Well-being
THE CHALLENGE	We're in rapid growth mode, with a high degree of change impacting our people. We need to make sure we have the right systems, processes and support in place for our diverse and dispersed workforce.	

FY24 TARGETS	FY25 TARGETS	FY26 TARGETS
<p>Establish a wellbeing measure in the FY24 Culture Insights survey (June 2024) to indicate our staff needs (and priority areas).</p>	<p>Achieve our FY25 staff health and wellbeing target.</p>	<p>Achieve our FY26 staff health and wellbeing target.</p>
<p>Set a relevant target and measure for staff health and wellbeing for FY25 and FY26, based on the insights from the FY24 Culture Insights survey (and other key organisational data points relating to wellbeing ie. absenteeism, turnover, EAP insights, HR case themes etc).</p>		
<p>Achieve an eNPS ⁸ of positive 30 (Note: Our benchmark is against CultureAmp data across companies we see as similar).</p>	<p>Maintain eNPS +30 and set a new target for FY26.</p>	<p>Achieve our FY26 eNPS target.</p>
<p>Embed the new Remuneration Framework (developed with EY) to ensure consistency and parity across job and career levels.</p>		
<p>Review our current sZ benefits and leave provisions (including our sunshine day leave allocation, uptake and value) as part of our employment value proposition.</p>	<p>Activate additional leave options in line with our People First approach (eg. could include additional paid mental health leave).</p>	
<p>Put 'people' (including our people's health and wellbeing) as a standing agenda item on all Exec and Board meetings.</p>		
<p>Refresh our current flexible working policy and guidelines, including working from home, working overseas and the remote working guidelines.</p>		
<p>Optimise the current EAP ⁹ service agreement (including a review of other vendor options) by the end of Q4.</p>	<p>Ensure an ongoing review of the effectiveness and impact of our EAP and make any required changes.</p>	
<p>Facilitate 25% of our leaders to undergo mental health first aid training.</p>	<p>Ensure all leaders complete mental health first aid training.</p>	<p>Meet our target of 75% of our workforce completing mental health first aid training.</p>

OUR IMPACT AREA	Diversity, Equity and Inclusion	SDG ALIGNMENT
OUR GOAL	To be a workplace that attracts and retains a diverse set of individuals who feel they can be their true selves.	 Decent Work & Economic Growth  Gender Equality  Reduce Inequalities
THE CHALLENGE	We're a dispersed workforce with many cultures, and close to 70% of our workforce identifying as male.	

FY24 TARGETS	FY25 TARGETS	FY26 TARGETS
Utilise the FY24 Culture survey insights to drill into our existing DE&I performance and set relevant targets for improvement for FY25 and FY26.	Achieve our FY25 DE&I target(s).	Achieve our FY26 DE&I target(s).
Review our recruitment process (and relevant policies and guidelines) to ensure we are taking steps to avoid unconscious bias.	Implement unconscious bias training for all leaders as part of our leadership capability uplift focus.	
Develop a plan of action to remediate any areas of our recruitment process identified in need of improvement.	Have our recruitment process audited by an independent third party.	
Ensure all leaders within the business receive training on topics related to diversity, equity, and inclusion.	Enable employees to receive training on topics related to diversity, equity, and inclusion.	
Take the Pride Pledge ¹⁰ .	Work through the Rainbow Accreditation process (or equivalent).	Support a minimum of two of our team to achieve Workplace Inclusion Professional Accreditation (including at least one of our People & Capability Team) ¹¹ .
Develop a Women in Leadership Plan to increase our women in leadership (currently 29%) representation.	Reach our target of 40% of leadership positions being held by women (defined as any leadership level role at SZ).	Reach our target of 50% of leadership positions being held by women.
Engage with our people to best identify how we can support them through key transition periods ie. birth, pre-retirement phase etc).	Review our current leave entitlements in line with our diversity needs.	
Investigate opportunities to provide employment opportunities or work experience to typically marginalised groups.	Establish a graduate, entry-level and/ or internship programme/s for typically marginalised groups.	
Identify the ethnicities we have in our workforce and ensure we can report (in line with Stats NZ) on our workforce composition.	Acknowledge and celebrate the diversity of our people.	Allow those who celebrate cultural holidays not currently included in New Zealand's annual public holidays to take the relevant day(s) off.
Complete our gender pay parity review with EY by the end of Q3. Define a plan to close gaps identified by end of FY24.		
Promote our current gender pay parity and median wage commitments (as part of building our employment value proposition).	Undertake further pay equity analysis outside of gender and, if necessary, implement equal compensation improvement plans or policies.	Achieve pay parity across gender, race/ethnicity, or other demographic factors.
	Establish Te Reo training opportunities for our people.	Ensure all Executive Leadership Team completes Te Tiriti o Waitangi competency training.

OUR IMPACT AREA	Education & Communication	SDG ALIGNMENT
OUR GOAL	To be a transparent and open business that actively educates and empowers our staff and transparently communicates our journey.	 Responsible Consumption & Production  Quality Education
THE CHALLENGE	Sustainability is complex and contextual, which makes it difficult to communicate and educate.	


FY24 TARGETS	FY25 TARGETS	FY26 TARGETS
Publicly share this strategy and ensure all our stakeholders are made aware of it.	Produce an annual sustainability progress report.	Produce a GRI sustainability report.
Review our website and ensure sustainability related language is correct and consistent.	Build a sustainability webpage to clearly communicate all sustainability initiatives, goals, and achievements.	
Publicly share our carbon footprint every year.		
Establish how confident our staff are in their own sustainability knowledge and set targets for FY25 and FY26.	Achieve our FY25 target relating to the level of confidence our staff have in their sustainability knowledge. Extend our educational programme and resources to FSPs.	Achieve our FY26 target relating to the level of confidence our staff and FSPs have in their sustainability knowledge.
Establish regular "lunch and learn" sessions for our staff to attend.	Provide sustainability training for those staff who want it.	
	Establish an allocated budget for external professional development opportunities.	Establish a budget to fund intensive continuing education credentials e.g. university degrees.

GOALS AND TARGETS

GOVERNANCE

OUR IMPACT AREA	Leadership and Influence	SDG ALIGNMENT
OUR GOAL	To show leadership in the way we conduct business and the transformation to a circular, zero-carbon, and regenerative economy while influencing others to do the same.	
THE CHALLENGE	We operate in a fast-growing and changing industry and are reliant on other stakeholders to supply and install our products.	

FY24 TARGETS	FY25 TARGETS	FY26 TARGETS
Work with SEANZ to lift their profile and advocacy.	Become a leading voice on renewable energy in various sustainability industry groups (e.g. Sustainable Business Network, Climate Leaders Coalition).	
Actively support or advocate for policy changes explicitly designed to improve social or environmental outcomes.		
	Ensure all manager roles' job descriptions explicitly incorporates social and environmental performance.	
	Amend corporate governing documents or adopt a legal entity that requires consideration of all stakeholders in its decision-making (e.g. benefit corporation, completed B Corp legal amendment).	Become B-Corp certified.
	Provide our FSP best practice guides for environmental and social impacts	











OUR IMPACT AREA	Supply Chain Transparency	SDG ALIGNMENT
OUR GOAL	To have full visibility and traceability of our entire supply chain and to share this publicly.	 Decent Work & Economic Growth
THE CHALLENGE	There's a huge global demand for solar panels, and we're located far from the manufacturing and resource extraction locations we are supplied by. On top of this, we have limited influence over our suppliers whom we rely on for supply chain information.	

FY24 TARGETS	FY25 TARGETS	FY26 TARGETS
Map our supply chain and identify the gaps in our visibility.	Make information on our supply chain publicly available ¹² .	
Undertake a risk assessment of our supply chain to identify any actual and potential negative environmental and social impacts.	Visit 3 of the top 5 (by dollars spent) of the manufacturing sites that supply us. Develop mitigation strategies for any risks identified in our supply chain.	
	Establish social and environmental screening criteria for all suppliers.	
	Produce a supplier code of conduct (SCOC).	Ensure 100% of suppliers have signed our SCOC.
	Set a target for the percentage of recycled material in our hardware.	Achieve our target for the percentage of recycled material in our hardware.



¹²This may be restricted by confidentiality constraints

APPENDIX - SDG TARGETS WE HAVE ALIGNED TO

The below table outlines the SDG targets this sustainability strategy is aligning to, and those targets our business as usual is also aligned with.

OUR IMPACT AREA	SDG TARGETS	SDG ALIGNMENT
Greenhouse Gas Emissions	<p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.</p> <p>15.3 By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world.</p> <p>15.4 By 2030, ensure the conservation of mountain ecosystems, including their biodiversity, in order to enhance their capacity to provide benefits that are essential for sustainable development.</p> <p>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.</p>	 Climate Action  Responsible Consumption & Production  Life On Land
Packaging and Waste	<p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources.</p> <p>12.4 By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimise their adverse impacts on human health and the environment.</p> <p>12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.</p>	 Responsible Consumption & Production
Staff Health and Wellbeing	<p>3.4 By 2030, reduce premature mortality from non-communicable diseases by one-third through prevention and treatment as well as promote thriving mental health and wellbeing.</p>	 Good Health & Well-being
Diversity, Equity and Inclusion	<p>8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.</p> <p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</p> <p>10.2 By 2030, empower and promote the social, economic and political inclusion of all people, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status.</p> <p>10.3 Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.</p> <p>10.4 Adopt policies, especially fiscal, wage and social protection policies, and progressively achieve greater equality.</p>	 Decent Work & Economic Growth  Gender Equality  Reduce Inequalities
Education and Communication	<p>12.6 Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.</p> <p>12.8 By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.</p> <p>4.7 By 2030, ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and of culture's contribution to sustainable development.</p>	 Responsible Consumption & Production  Quality Education

APPENDIX - SDG TARGETS WE HAVE ALIGNED TO

OUR IMPACT AREA	SDG TARGETS	SDG ALIGNMENT
Leadership and Influence	N/A	 N/A
Supply Chain Transparency	<p>8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.</p> <p>8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants and those in precarious employment.</p>	 Decent Work & Economic Growth

OUR EXISTING PRACTICES	SDG TARGETS	SDG ALIGNMENT
Installing Solar Panels	<p>9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.</p> <p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.</p> <p>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.</p>	 Industry, Innovation & Infrastructure  Affordable & Clean Energy
Product as a Service Business Model (enhancing accessibility to renewable energy)	<p>9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and trans-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all.</p> <p>9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.</p> <p>7.2 By 2030, increase substantially the share of renewable energy in the global energy mix.</p>	 No Poverty  Affordable & Clean Energy
Working with FSPs	<p>8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.</p> <p>8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services.</p>	 Decent Work & Economic Growth



CONTACTS AND ACKNOWLEDGEMENTS

Thank you to our sustainability partner for collaborating with us to development of our sustainability strategy & targets.



For any questions on the solarZero Sustainability Strategy & targets, feel free to contact:

Jemma Whiten

CMO,
solarZero

jemma.whiten@solarzero.co.nz
021 0301882

