

WORKING WITH YOU FOR A GREENER TOMORROW



Sustainability Report

.....
2021

EnviroNZ’s first sustainability report reflects our commitment to a better New Zealand through a focus on our people and purpose; working with you for a greener tomorrow.

This report has been guided by the Global Reporting Initiative (GRI) Sustainability Reporting Standards covering the period 1 January to 31 December 2021.

The following sections describe EnviroNZ’s progress on a range of material, environmental and social topics that impact our business, customers and communities.

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Use the navigation icons in the top right corner throughout this report to navigate directly between sections.
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Chris Aughton - EnviroNZ Chief Executive Officer

New Zealanders are increasingly wanting to live sustainably – they’re concerned about the impact of climate change and the environmental issues from consumption. This growing movement to replace throwaway habits and embrace circular practices in our homes and businesses has highlighted the importance of resource recovery and sustainable waste management practices.

EnviroNZ’s first ever sustainability report looks at the company’s role in supporting New Zealand’s shift to low carbon, low waste living for people and the planet. Best known for our EnviroWaste business, EnviroNZ’s national network of collection services and critical infrastructure facilities supports the vital sustainability efforts of local councils, customers and communities across New Zealand.

New Zealand’s drive to a low-emissions, circular economy means all sectors are thinking about how to efficiently recover, recycle and reuse more and waste less through a low carbon lens.

In a circular economy, materials are reused, recovered or recycled, and we have demonstrated our commitment to action with new approaches to recycling, community education and emissions reduction. We are working across all industries to deliver tangible solutions that can bring this circular economy to life.

We deal with the confronting reality of New Zealand’s waste problem every day and that puts us in a unique position to help bring about change. New Zealand should be focused on how we can design out waste. Instead of diverting waste, we must reduce

how much we create in the first place, encourage the use of recyclable or reusable materials and expand on-shore processing facilities.

New Zealand businesses look to us for solutions that support their waste minimisation and resource recovery goals. Being a leader means you have to hold yourself to account. By sharing our sustainability story, we’re showing our genuine commitment to understand and reduce the impact of our activities on the environment and our focus on the responsible use of resources.

In this report, we have taken on board the views of our stakeholders through a materiality assessment. We have also used the GRI standards as guidance to signify our commitment to an internationally recognised, rigorous sustainability reporting benchmark.

We have further considered our local impact against the United Nations Sustainable Development Goals (SDGs), acknowledging that the world’s biggest problems are shared by everyone, everywhere, and that New Zealand businesses like ours have an important role to play in addressing responsible consumption and production alongside climate change.

We are in this together, and we take our role seriously.

This year, we invested in growing our community partnerships, the wellbeing of our people and building the capability in our organisation through targeted infrastructure

development, education and a focus on technological innovation.

This is what will take our business into the future. Our commitments demonstrate the steps we are taking towards embedding sustainability across all our operations.

Responsible use and management of the planet’s resources are the starting points. But the real change — and the change we are looking to make — is a legacy that lasts for generations.

This report brings structure to our efforts to set down guiding principles and goals. These will adapt over time as we challenge ourselves to continuously improve. We are striving to be good ancestors, evolving to meet the aspirations of our people and the expectation of the communities we serve.

Our personal and professional experience of the COVID-19 pandemic has taught us that we are resilient and capable of change. I would like to acknowledge the outstanding support of our people, suppliers, customers and other stakeholders through the challenges of the year and as we continue to advance new ways of working and deliver the consistently high service standard you have come to expect from EnviroNZ.

Chris Aughton, CEO
April 2022



OUR BUSINESS

EnviroNZ is a materials management and resource recovery company committed to managing, recovering and processing waste streams to deliver sustainable outcomes.

Our brands include EnviroWaste, EnviroEarth and ChemWaste, and we employ over 1,100 people nationally.

Our values

We rely on our people for our success, and value the diverse skills and backgrounds each person brings. Living our core values means being respectful, honest, supportive and safe at work.

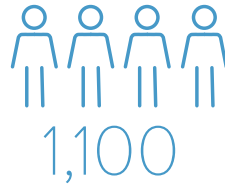
We articulate these values in our commitment statements which go to the heart of who we are and how we work.

Our commitments

As a leader in this sector, we recognise the role we play in supporting New Zealand's transition to a low-carbon circular economy.

Our national network of infrastructure and facilities supports the vital sustainability efforts of local councils and commercial organisations across the country.

ENVIRONZ IN NUMBERS



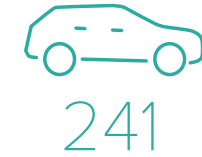
TEAM



LOCATIONS



HEAVY FLEET



LIGHT FLEET

OUR VALUES



RESPECTFUL



HONEST



SUPPORTIVE



SAFE

OUR COMMITMENTS

People

We rely on our people for our success. Our people are diverse, hardworking, loyal and honest.

Quality and Service

We believe in providing high quality performance and service.

Environmental Sustainability

We believe in protecting the environment and minimising the use of non-renewable resources.

Health and Safety

We believe that maintaining the highest possible standard of safety and health is everyone's responsibility.





Collections and resource recovery

Recycling, Organics and Refuse

We provide collection services for councils, residents and businesses across New Zealand. This involves collecting recyclables, organic waste and residual waste.



Waste minimisation and education

We implement and manage programmes focusing on auditing, education and the development of waste minimisation plans.



Infrastructure

Materials Recovery Facilities

We own and manage facilities that provide efficient recovery, processing and consolidation which delivers sustainable outcomes for communities.

Construction and Demolition Materials

We provide services for construction and demolition waste collection and processing.



Remediation and treatment

We offer integrated solutions for hazardous substances, contaminated land remediation, dredging and dewatering, emergency response to environmental incidents and wastewater treatment.



Residual waste

We manage the safe disposal of non-hazardous waste that cannot be recycled or recovered at landfill, managed fill or clean fill sites.



INTRODUCTION

Sustainability at EnviroNZ

EnviroNZ's approach to sustainability is built on supporting positive outcomes for people and the planet. It is about being a responsible and resilient business that contributes positively to the development of the communities in which we operate.

The Sustainable Development Goals (SDGs) feature prominently in our sustainability thinking. Increasingly, businesses like ours are reaching for the SDGs as a tool to address the shared sustainability challenges we all face. We've identified eight SDGs where we can make a difference.

- 3 Good health and wellbeing
- 8 Decent work and economic growth
- 9 Industry, innovation and infrastructure
- 10 Reduce inequalities
- 11 Sustainable cities and communities
- 12 Responsible consumption and production
- 13 Climate action
- 17 Partnerships for the goals



Embedding sustainability

Sustainability at EnviroNZ is led by Sustainability Manager Larisa Thathiah, and supported at the executive level by General Manager Customers and Sustainability Glen Jones. Operational delivery of our People and Planet strategy is integrated across the organisation, reflecting sustainability is a shared responsibility.

Feedback from our most recent employee engagement survey tells us our people want to make a difference through their work and be actively involved in our sustainability efforts.

Our support system

EnviroNZ is part of CK Infrastructure Holdings Limited (CKI), a global infrastructure company with diversified investments in the United Kingdom, Europe, Australia, New Zealand, Canada, the United States, Hong Kong and China. CKI investments include energy infrastructure, transportation infrastructure, water infrastructure, waste management, waste-to-energy, household infrastructure and infrastructure-related businesses.

CK Infrastructure Holdings Limited and its subsidiaries are members of the group of companies for which CK Hutchison Holdings Ltd (CKHH) is the ultimate parent.

The Group is committed to playing its part in achieving the United Nations Sustainable Development Goals (SDGs). Through collaborating and focusing efforts across its businesses, the Group believes it can contribute to increasing the speed and scale of delivery across a wide number of the SDGs and to meeting the ambitions set out in the 2015 Paris Agreement.



1. Take action on climate change
2. Offer customers sustainable products and invest in and embrace innovation to achieve transformational impacts
3. Create great places to work
4. Take all steps to protect employees and support communities and other stakeholders through the pandemic

PEOPLE

- Inspiring people to consider careers in our sector
- Prioritising the health, safety and wellbeing of our team
- Growing our partnerships by collaborating for a greener tomorrow
- Driving a culture that is inclusive and diverse
- Contributing positively to our customers and communities

- Extend education outreach programmes that create employment pathways and skills development opportunities for young people
- Eliminate serious incidents and increase uptake of employee assistance support tools and programmes for mental health and wellbeing
- Partner with others to find new solutions to shared challenges and grow positive impact for our people, partners and communities
- Establish a strong foundation to support diversity and inclusion by 2022
- Bring diversity to all decision-making forums, including gender balance and improved cultural diversity of senior leadership and leadership teams by 2030



PLANET

- Creating operational efficiencies to reduce greenhouse gas (GHG) emissions and reliance on natural resource
- Increasing uptake of renewable energy
- Working together to build the circular economy
- Innovating sustainably to expand our product and service offerings
- Engaging with partners and customers to encourage consumption behaviour change

- 10% reduction in fleet emission by 2026 from our baseline year
- 100% transition of light vehicle fleet to low-carbon options by 2025
- 100% Integration of green procurement practices in office operations by 2025
- Target the transition to 100% renewable energy by 2030



What matters most

At EnviroNZ, the views of all our stakeholders are essential for us to have a comprehensive view of what matters most, what needs to be measured and where we can improve.

In 2021, EnviroNZ completed a materiality assessment with internal and external stakeholders to understand views on the topics that matter most in the context of environmental, social and economic impacts for the business. This was supported by a review of public-sector initiatives, legislative changes, industry peer reviews and media coverage affecting our sector.

From this assessment, we identified the most important sustainability topics for the business. Top of mind for our stakeholders is climate change, social licence to operate, future fitness, health and safety and wellbeing, and communication.

Our stakeholders expect us to integrate sustainability into the way we work so that our core business is fit for a changing world. These insights have helped us pinpoint where we can build stronger relationships with our diverse stakeholders and unlock value for our business and the partners we work with. We will respond to the growing expectation for transparency and accountability by opening up communication and we will support New Zealand's transition to a low carbon circular economy in the areas where we can make the biggest difference.

Corporate social responsibility oversight

To support the evolution of our sustainability initiatives into our business operations and strategy, we have an integrated management system (IMS). The IMS combines all aspects of our quality, environmental and health and safety systems and processes into one smart system for collecting and tracking performance data.

For integrity, transparency and accountability, our operational sites are subject to regular audits. Internal audits are conducted by staff independent of the site and to identify areas for improvement. Third-party audits give regulatory authorities and our customers independent assessments of our performance.

We currently have a number of sites with accreditation for ISO 9001:2015 (quality), ISO 14001:2015 (environmental management) and AS/NZS 4801:2001 (health and safety) standards. In 2022, our Health and Safety certification is transitioning to the ISO 45001:2018 standard, with the first part of the process completed in 2021.



PEOPLE



“The concept of ‘business as usual’ no longer applies. Change, flexibility and being nimble is the norm. Being ‘people-centric’ is the superpower of a thriving company. We need to be clear on our purpose and how we create value.”

.....
 Cherie Logan, GM People, Safety & Performance

KEY FOCUS AREAS FOR 2021

Progress

Living Wage review in support of NZ's poverty reduction campaign	██████████
COVID-19 risk and business continuity management	██████████
Early intervention and injury triage programme	██████████
Mental wellbeing programme “I’ve Got Your Back”	██████████
Frontline employee-led summer safety campaign	██████████
‘Safety in design’ risk review at Hampton PARRC	██████████
Machine operator training linked to NZQA qualification pathway	██████████
Safe and fuel-efficient driving programme	██████████
Traffic management and risk reduction working group established	██████████
Heavy vehicle driving academy for people wanting to start a career in transport	██████████

PEOPLE

Our COVID-19 response

The past couple of years have been defined by the COVID-19 global pandemic. Long, localised lockdowns led to uncertainty across the country.

The EnviroNZ COVID-19 response team refreshed our pandemic plan to address the unique, evolving situation. The team worked together with our people, industry groups, customers and communities to ensure critical services were maintained during this time.

We acknowledge the efforts of the entire EnviroNZ team during this time and especially our frontline operators who rose to the challenge.

With our teams spread out geographically, we adapted quickly to contactless business operations and rapidly adopted more efficient digital processes to keep our people safe and connected. Any changes to our plans, processes or procedures, including new safety protocols and safer working methods, were communicated quickly and across multiple channels.

The wellbeing of people remained a vital focus throughout this time with wellbeing calls made by our Health and Safety, Driver Training and People and Culture teams, on top of managers' regular check-ins with their teams.

Protection and prevention

EnviroNZ promotes the importance of vaccinations and is committed to maintaining strong COVID-19 risk controls to minimise any health and safety impacts to our people, customers and the wider community.

We continue to practice public health measures such as PPE use, good hygiene and physical distancing. This provides additional layers of protection to safely carry out our work. Many of our customers must comply with government public health orders mandating vaccinations for specific industry workers, and as a supplier we ensure we comply with these requirements.

Promoting facts for vax

EnviroNZ launched an internal campaign fronted by vaccine champions from within the business. We connected our teams with good information, offered practical support and provided time off work for vaccination appointments.

In an online staff Q&A session, EnviroWaste Refill Manager Troy Allen put our people's questions to health expert Dr Api Talemaitoga, covering everything from the importance of high vaccine rates to what is in the vaccine, health impacts, COVID-19 testing, boosters and how new variants had changed the course of the pandemic.



EnviroWaste driver Jordan Chi on his collection run

PEOPLE

Health, safety and wellbeing

Keeping people safe, supporting their mental, physical and emotional wellbeing, and ensuring they feel connected and engaged are all critical to our business.

The nature of our work, which often includes high levels of manual handling and working in complex risk environments with large, highly technical machinery, means safety is always front-of-mind. We are a growing business which is reflected in our workforce increasing by a third on 2020 numbers.

We are continually seeking best practice and new innovations to eliminate or minimise critical risk and progressively improve our safety maturity and performance.

Our CEO Chris Aughton is a member of the Business Leaders' Health and Safety Forum, which brings leaders together with a shared vision of working towards a zero-harm workplace and sharing insights and new ideas.

Our STARS message is a simple way of remembering to Stop, Think, Act, and Remain Safe and keep safety front-of-mind. We encourage regular positive communication on safety, and engage our people on ways to improve what we do and reduce incidents, so everyone can go home to their loved ones every day.

86 **'I've Got Your Back' mental wellbeing sessions**

23% ↓ **Serious health and safety incidents**

30% ↓ **Reduction of compensation claims**

5,000 **Operational safety talks completed**

414 **Frontline team meetings**

2,725 **Safety observations by SHE representatives**

9,106 **Trainings completed for operators and drivers**



Summer STARS

As we approached our busiest and highest risk time of the year – summer – we launched a new internal campaign to highlight workplace safety. Christmas consumption leads to increased volumes of materials to be collected, our drivers are dealing with more traffic on the roads, and workloads increase at holiday hotspots.

The frontline employee-led campaign featured videos and tips on a variety of critical risks and safety topics, to keep themselves and their workmates safe in this peak period.

PEOPLE

Helping shape industry good practice

We are proud to be an active part of the industry representative group WasteMINZ by helping develop best practice tools and resources used across our sector.

We have a seat on the industry health and safety steering committee, which produced advice for establishing household battery collections, and developed new guidelines for compactors, bin lifters and balers, pandemic management and business continuity.

EnviroNZ is also contributing to the future of our industry and our planet through meaningful regulatory engagement. We have collaborated with our industry peers to make joint submissions on the Government's Waste Strategy, Emissions Reduction Plan and Regulated Product Stewardship Scheme.

Promoting safe and efficient driving

We are a business constantly on the move. Most of our core operations involve driving trucks and other vehicles on roads, and operating equipment off-road and onsite. To ensure the safety of our drivers, we have a 12-strong specialised team of in-house driver trainers that manage training, observations and competency assessments, coupled with leading-edge technology systems.

- **FleetMind** ensures safe performance of our fleet with cameras and GPS.
- **ERoad** for driving logbook and pre/post-trip vehicle checks as part of the daily process.
- **RearSense** system allows for sonar capability in blind spots when reversing.

SAFED programme

In 2021 we implemented the SAFED (Safe and Fuel-Efficient Driving) programme, a joint initiative from the Ministry of Transport and Waka Kotahi. To date, 21 long-haul fleet drivers have successfully completed the programme.

Adopting simple fuel-efficient driving techniques gives drivers more time to identify hazards and react to them. The programme introduces best-practice, fuel-efficient driving styles, leading to:

- fuel efficiency
- reduced accidents and incidents
- reduced maintenance costs
- improved driving standard.

The programme is supported by the Energy Efficiency and Conservation Authority (EECA), Bus and Coach Association, NZ Contractors' Federation and the Road Transport Forum.



SAFED PROGRAMME OUTCOMES

10% ↓ less run time per driver (average)

25% ↓ less gear changes per driver (average)

5% ↓ less fuel usage per driver (average)



Tama Hasinitama in our Auckland product recovery facility

I've Got Your Back

Staying connected to our colleagues, friends and family helped us get through 2021. We made mental wellbeing a priority, and we kept close to our people with regular wellbeing calls, as well as heavily promoted access to counselling support lines and wellbeing resources.

Our new I've Got Your Back wellbeing programme has helped us build a stronger culture of inclusiveness, acceptance and support for each other. Opening up about challenges and vulnerabilities in a work setting is not easy for many people. Facilitated by third-party experts, the People, Safety and Performance team and Chief Executive Chris Aughton, the programme normalises mental wellbeing conversations and creates safe and supportive spaces to do so.

Our people showed up with trust and vulnerability, generously sharing personal stories that took us on a roller coaster of emotion from laughter to sadness, to empathy and joy.

I've Got Your Back is a powerful equaliser, highlighting no matter who you are, what your role is, or where you come from, we all have more in common than we realise. Most importantly, the sessions helped everyone to see that when we are connected, we are stronger. And to know it is okay to ask for help when we need it.

We completed 86 sessions across all our locations in 2021, with 15 sessions postponed to 2022 following COVID-19 restrictions. We are currently designing phases 2 and 3 which are scheduled for later in 2022.

PEOPLE

Our people, communities and engagement

The rich diversity of the skills, values, backgrounds and experience of our team sets us apart in the industry. We are committed to building on our diversity and ensuring everyone has equal opportunities across our organisation. We actively help our people progress their careers and empower the next generation to innovate for the future at EnviroNZ.

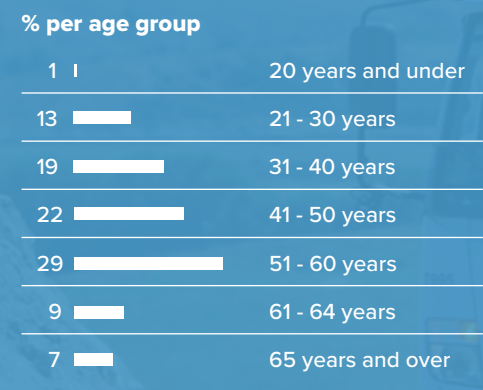
Embracing our people’s unique perspectives benefits everyone and is a key part of being a modern and inclusive workplace in New Zealand. In 2021, a key focus for us was the review of our approach to workforce planning. We need to ensure we are planning for both short and long term workforce requirements by adopting a more strategic approach to analysing, forecasting and planning our workforce to continue our growth.

Living wage review

People are the heart of our business and without them we could not deliver our services across New Zealand communities. In keeping with our commitment to the SDGs for Decent Work and Reduced Inequalities, we have undertaken an in-depth review in support of this initiative and are now working through our next steps.



WORKFORCE PROFILE



Community

EnviroNZ's employees live and work in communities across the length and breadth of New Zealand. Our operations in these areas provide essential services and employment, as well as training and skills development.

We are committed to helping local organisations “in kind” with services we provide: educating communities about the circular economy, recycling and sustainability, as well as empowering our people to contribute their time and energy to important causes. Our focus for 2022 will be to continue to support and build partnerships that align with our values and work.

EcoAction

EnviroNZ is supporting the development of an urban forest in Christchurch's red zone. The volunteer project involves 11 satellite nurseries with students planting 20 different species of native trees and grasses.

Keep New Zealand Beautiful – Helping out with Clean Up Week

EnviroNZ is a supportive partner for Keep New Zealand Beautiful (KNZB). We offer free waste services for KNZB's “Clean Up Week” annually.

Abilities Group

We have created a partnership with Abilities that allows us to consider potential diversion projects that are not always achievable onsite at customer locations, such as e-waste recycling, or processing of polystyrene within the Auckland region.

Habitat for Humanity

EnviroNZ has extended the partnership with Habitat for Humanity, a not-for-profit organisation with the mission to bring people together to build homes, communities and hope. All proceeds at the ReStore at Lincoln Street in Hamilton help to fund local housing programmes and initiatives.

For 2021 a total of 459 tonnes of material was diverted from landfill through this partnership.

Ashburton Reuse Shop

The reuse shop in Ashburton's Resource Recovery Park is often one of the busiest shopping spots in town. The shipping containers that form most of the shop were painted as a project by Ashburton College students. The Resource Recovery Park is just one of the many ways we are helping to create more circular solutions through resource recovery.

In 2021 we diverted 252 tonnes from landfill through recovery and resale in the Reuse Shop.

Learning from the next generation

EnviroNZ has partnered with the University of Auckland for five years, supporting the Engineering PhD programme and most recently the new Engineering Master's Programme for Sustainable Resource Recovery, led by Associate Professor Saeid Baroutian. Graduates emerge with a greater understanding of sustainability and the practicalities of a functional circular economy, where waste materials are no longer simply sent to landfill.

As an industry partner EnviroNZ supports the programme by:

- providing research opportunities that allow students to evaluate an industrial challenge in the context of real-world waste reduction and resource recovery.
- hosting facility tours to allow students to develop a greater understanding of how waste processing, waste minimisation and resource recovery theory is put into practice.
- presenting guest lectures to share knowledge and experience from our industry experts.

We are growing our partnership through shared platforms for research, innovation and learning. EnviroNZ and the University of Auckland teams are working closely on this initiative to make it a reality in 2022.



2021 student Susanne Mathews from the University of Auckland



“The kaitiaki responsibility compels us to actively support EnviroNZ and community-based local and central government initiatives.”

.....
 Glen Tupuhi, Ngā Muka Chair

.....
 Hampton Downs

Ngā Muka and EnviroNZ deepen ties

EnviroNZ’s evolving relationship with Waikato Tainui mana whenua marked a special milestone in 2021. EnviroNZ and Ngā Muka Development Trust entered into a joint agreement to work more closely together towards our common sustainability and wellbeing goals.

“The joint agreement lays the foundation for an enduring relationship based on mutual respect and shared values. For people and the planet, we both want to be good ancestors,” said EnviroNZ CEO Chris Aughton. “Within Waikato Tainui, Ngā Muka Development Trust represents a cluster of mana whenua marae of the north Waikato where we operate our Hampton PARRC facility. We recognise the importance of their role as kaitiaki of the area.”

Ngā Muka will provide valuable input when considering the social, environmental and economic impact of EnviroNZ’s work in the region. We have been discussing initiatives to create educational and employment opportunities for local Māori, incorporating Mātauranga Māori (traditional knowledge) in our environmental monitoring and weaving tikanga (cultural practices) into our staff inductions, as well as native planting and restoration projects to improve the Waikato River catchment.

Ngā Muka Chair Glen Tupuhi says the agreement is aligned with his organisation’s strategic values for iwi cultural, social and economic advancement. “We recognise that EnviroNZ is charged with performing a task that is a direct consequence of a modern consumer-based society as it has emerged and currently exists. We are committed to working with EnviroNZ to protect and minimise impact on our immediate environment. The kaitiaki responsibility compels us to actively support EnviroNZ and community-based local and central government initiatives which accelerate initiatives that minimise waste through educational programmes and that increase recycling, as well as extract value in the alternative use of the by-products of waste.”

PLANET

“We’re privileged to be at the forefront of New Zealand’s circular economy and are actively moving from minimising environmental impacts to creating a positive difference. Underpinning EnviroNZ’s activities is a collective determination to leave the world in a better place than we found it.”

.....
 Glen Jones, GM Customers and Sustainability



KEY FOCUS AREAS FOR 2021

Progress

Materiality assessment to refresh key focus areas for sustainability	██████████
Develop an emissions reduction management plan	███████
Develop a Supplier Code of Conduct for sustainable procurement	██████████
Complete external verification of the greenhouse gas (GHG) Inventory	██████████
Implement pilot for renewable energy	███████
Complete expansion of Hampton PARRC organics facilities	██████████
Implement two new waste minimisation initiatives for the business	██████████
Roll-out the sustainability engagement programme	██████████
Develop a reporting framework for sustainability	███████
Implement transition of light vehicle fleet to low carbon options to meet 2025 target	███████

Environmental management

At EnviroNZ, we strive to reduce our environmental impacts while maintaining the best outcomes for the areas in which we operate.

This ensures that we have a consistent approach for managing our environmental responsibilities across the business. The environmental team manages all aspects of our compliance obligations, consenting requirements, incident management and internal auditing.

We are focused on:

- Enhancing our environmental performance.
- Fulfilling our compliance obligations.
- Ensuring we are aware of any changes to compliance obligations relating to New Zealand environmental legislation.
- Achieving environmental objectives.
- Managing our environmental impacts from a life-cycle perspective.

Stepping up to reduce carbon footprint

Climate action and the responsible use of resources are central to EnviroNZ’s strategy. Our future success as an organisation will be defined by how we respond to the climate emergency, and we are refreshing our strategy and our brand to effectively communicate our mission of delivering innovative and sustainable resource recovery and management across New Zealand.

Significant steps in 2021 have accelerated climate action on a global and national level. The United Nations Climate Change

Conference, COP26, set the stage to fast-track action towards the goals of the Paris Agreement and the UN Framework Convention on Climate Change. The Science-Based Targets organisation has released its first global Net-Zero Standard, providing the guidance and tools companies need to set science-based net-zero targets.

In New Zealand, the Climate Change Commission has submitted its final report which has informed the Emissions Reduction Plan and Waste Strategy for various sectors. As we enhance operations with a focus on reducing GHG emissions, we are looking to our strong heritage of technology, innovation and education to make climate aware decisions that lead to impactful changes. Our approach is threefold:

- **Operational** – to meet operational requirements efficiently with reduced emissions.
- **Behavioural** – increased education and awareness to propel climate action.
- **Investment** – investment in research and new technologies to accelerate our transition to a low-carbon future.

We are working towards Toitū carbon certification in 2022 and will continue reducing emissions across all our operations.

Our emissions profile

We are committed to understanding and reducing the impact of our activities on the environment. In 2021 we gathered our Scope 1, 2 and 3 emissions data to establish

a clear baseline. Assessing our carbon footprint gives us a reference point against which change can be measured in the future and it informs the actions we are taking now to reduce our carbon footprint.

While we cannot directly control how much waste is generated by the communities served by our critical infrastructure, we can responsibly manage the GHG emissions from this waste. For context, we report

emissions under our operational control, which excludes landfill, as well as total GHG emissions, of which 78% is landfill.

For many years, we have recovered landfill gas and converted it into renewable energy as result of our long-term investment in sustainability solutions. We continue to invest in efficient gas capture and destruction with the goal of minimising our GHG emissions from landfill.

EnviroNZ’s greenhouse gas (GHG) emissions in 2021

TOTAL GHG EMISSIONS

scope 1	149,520	tCO ² e
scope 2	273	tCO ² e
scope 3	135	tCO ² e

total gross emissions 149,968 tCO²e

OPERATIONAL GHG EMISSIONS

scope 1	32,159	tCO ² e
scope 2	273	tCO ² e
scope 3	135	tCO ² e

total gross emissions * 32,567 tCO²e

* Operational GHG emissions exclude landfill emissions

Emissions are classified into three categories:

- **Direct Scope 1 emissions** from sources that are operated or controlled by EnviroNZ. Scope 1 emissions include fuel for transport purposes.
- **Indirect Scope 2 emissions** from the generation of purchased electricity consumed by EnviroNZ.
- **Indirect Scope 3 emissions** that occur as a consequence of the activities of EnviroNZ but generated from sources not owned or controlled by the company. This includes refrigerants, freight and travel. The company’s next audit will shift to the revised ISO 14064-1:2018 standards, which will more broadly consider supply chain emissions.

GHG emissions are measured in metric tonnes of carbon dioxide equivalent (CO²e).



Our fleet



16 EV trucks operating in residential areas

48 of our light vehicle fleet transitioned to low-carbon

Our fleet is one of the most recognisable parts of our business and brings our brand to life in communities. This year, we have taken steps towards reducing fleet emissions through a combination of electrification, efficiency and driver education.

Our heavy vehicle fleet is comprised of 570 collection trucks, 28 long-haul trucks in the specialty fleet and 16 in the Technical Services fleet. We now have 16 EV trucks for customer collections in residential areas. All new trucks added to our fleet meet the latest European standards for better fuel efficiency. We have committed to having an average-age target for our fleet in 2022 and will be working towards making this a reality.

In 2021, we revised our vehicle policy to accelerate the adoption of low-carbon vehicles into the light-vehicle fleet. Hybrid (HEV) and plug-in hybrid (PHEV) vehicles will be transitioned into the fleet over the next four years in line with meeting our 2025 target for light vehicles. In the past year, we have transitioned 48 of our leased vehicles (excluding utility vehicles) to low carbon options.

Optimising fuel efficiency is critical in reducing our carbon emissions and behavioural change is key, alongside investment in new technologies. Since the introduction of our SAFED programme for safe and fuel-efficient driving, time behind the wheel has reduced by 15%, and fuel consumption has reduced by 5%.



Composting facility expansion

We have been scaling up our organics infrastructure so we can play a bigger role in New Zealand's fight against both organic waste and the climate crisis.

We hit a big milestone in October 2021, with the completion of a three-year project to expand our Hampton PARRC organics processing facility. It has doubled our capacity to process green waste and food scraps from our customers and can now handle up to 24,000 tonnes per annum. It also allows us to reduce the release of GHGs by capturing more organic waste that might have otherwise ended up in landfill, turning it into nutrient-rich compost. This compost goes on to provide nourishment for commercial and residential gardens, enriching the soil for optimal growth and contributing to nature's circular life cycle.

It is a multi-million-dollar investment in critical resource-recovery infrastructure that will help local councils and our commercial partners achieve their waste targets. We are grateful to the Government's Waste Minimisation Fund for its \$1.4 million contribution towards this transformational project. The Hampton facility now takes kerbside-collected food scraps from Hamilton, Tauranga and New Plymouth, together with organic material from Auckland, Hamilton and Tauranga.

We are delighted to partner with Hamilton City Council to deliver their new rubbish and recycling service that was recognised for environmental excellence in the 2021 Local Government New Zealand Awards. The service has increased the volume of waste diverted from landfill from 27% to 58%. Since collections started in August 2020, more than 4,500 tonnes of food scraps have been turned into compost thanks to the new food-scrap bins. A portion of this is reused in the city's gardens and parks.

24,000 **increased tonnes processing capacity from 2021**

31% **↑ more Hamilton waste diverted from landfill**

4,500 **tonnes of Hamilton food scraps collected**



Kathy Grant removing contamination from organic material at Hampton PARRC

Responsible landfill operation at Hampton PARRC

As a Class 1 landfill, EnviroNZ's Hampton Downs Power and Resource Recovery Centre (PARRC) accepts household waste, construction and demolition waste, some industrial waste and contaminated soils.

Because of the nature of the waste at Hampton PARRC, it is vital the waste is safely received, managed and contained.

We capture the gas from the landfill as the rubbish decomposes, convert it into an energy source and use the energy to power all our onsite facilities, with excess electricity returned to the national grid.

At Hampton PARRC, we generate ten times more electricity than we use across our operations. Landfill cells are lined with compacted clay and geosynthetic material, as well as a high-density polythene layer to form a robust containment system.

To protect the surrounding environment, we collect and treat leachate from the landfill. We constantly monitor the surrounding environment for water quality, leachate composition, and landfill gas surface emissions, and have a robust system in place for stormwater management.

We take responsibility for our impact on the environment through the Government's Emissions Trading Scheme (ETS). The Hampton landfill is a participant in the ETS and provides annual regulatory reporting to the Environmental Protection Agency on performance relating to emissions and GHG removals from the atmosphere. Since 2012, the waste sector has seen a marked decrease in emissions from well-managed sites.

55% ↓ lowering of unique emissions factor

41,761 MWh electricity generated in total

6,000 houses powered by gas from Hampton PARRC



Dr Mazdak Rasapoor



Good gas

In 2017, EnviroNZ and University of Auckland's Associate Professor Saeid Baroutian started working together to improve landfill gas generation at Hampton PARRC.

In 2018, Dr Mazdak Rasapoor began his PhD study on this project. His research showed us how we can maximise our landfill gas methane capture at a consistent rate to avoid the summer slowdown. This has allowed us to capture increased volumes of landfill gas methane, and it has directly led to a double-digit, year-on-year increase in renewable electricity generation. In the first eight months of 2021, the landfill exported an additional 3,000 megawatts of energy and lowered its unique emissions factor (which measures the tonnes of carbon dioxide emitted per tonne of waste) by 55%.

Mazdak has now joined our Hampton PARRC team as the Gas Optimisation Manager.

“It is more than just removing rubbish; it is about helping restore the mana of Motutapu.”

.....
Leigh Joyce, DOC Supervisor
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Department of Conservation for Motutapu

We are committed to working in partnership so future generations can enjoy this incredibly beautiful country and its rich history. In December 2021, EnviroNZ joined forces with the Department of Conservation, local iwi Ngāi Tai ki Tāmaki and volunteers from several organisations to clean up and restore historic military bunkers on Motutapu. The pest-free island in the Hauraki Gulf is a haven for a number of protected and endangered species — but it also has a lesser-known military history.

“It was great to work alongside the EnviroNZ team to understand what materials could be recovered and what needed special consideration from an environmental perspective,” said DOC Supervisor Leigh Joyce. “We can all feel good knowing materials recovered from the island will have another life,” said Leigh. “It is more than just removing rubbish; it is about helping restore the mana of Motutapu.”

The project shows how communities, DOC and resource recovery specialists can work together to leave the environment in a better place.

Bringing the circular economy to life

Partnering with the New Zealand Food Network

In July 2021, EnviroNZ partnered with the New Zealand Food Network (NZFN) to put more food on the table for the thousands of Kiwi households experiencing food insecurity. The NZFN facilitates the safe transportation and storage of surplus bulk food from businesses and its distribution to hungry families via a network of food hubs.

Through the partnership, EnviroNZ takes edible surplus food from large food manufacturing clients and diverts it to the NZFN. Once the edible food has been extracted, we divert the rest to good use, such as for stock feed or compost for gardens and orchards — a circular-economy approach.

Paper business cards get the red card

As a company on a mission to minimise waste and drive innovative, sustainable and environmentally focused solutions, we had to ask: “Should paper business cards still have a place in our business?”

This question spurred our decision to phase out paper business cards and replace them with a reusable card with a digital footprint. We think every positive action we make, no matter how small, is a step in the right direction on our sustainability pathway.

The card allows team members to share their contact details with the tap of a phone

(with a built-in NFC chip), or a quick scan of the QR code. With COVID-19 making contactless interactions the norm, it also provides a safer option for the exchange of details.

Sustainable procurement

In 2021, we integrated sustainability criteria into our procurement processes, with an overall 30% weighting criteria for evaluation of new services.

With the new criteria in place, we have also completed three procurement processes for fleet management, personal protective equipment and electricity supply.

EnviroNZ participated in a sustainable procurement workgroup led by the Sustainable Business Network geared toward creating a sustainable procurement toolbox for businesses

Being constructive with waste

Reprocessing concrete products plays a crucial role in resource recovery and reduction of CO2 emissions.

EnviroNZ recently unveiled an industrial-scale concrete recovery and processing facility at its Bombay Resource Recovery facility in South Auckland. The development is part of our broader strategy to expand the range of construction and demolition materials the facility can reprocess.



“We have led the way in repurposing green waste and food scraps, and now we are making similar inroads into concrete waste.”

James Rutter, GM Infrastructure

Helping our customers reduce their impact

Briscoes Group

We implemented “Good Waste Practices”, a reporting platform that reports Briscoes’ recycling progress in real time and allows each store to adjust its targets towards achieving the business’ waste minimisation goals.

Sunshine Avenue Resource Recovery Park

The Sunshine Avenue Resource Recovery Park (RRP) is the focal point of our operations in Hamilton and the wider area. The facility contains a Materials Recovery Facility with optical sorting for fibre and plastics and an education area to teach the community the benefits of recycling and sustainability.

Auckland Zoo

Since we began working with Auckland Zoo in 2019, we’ve introduced an improved sorting and recycling system, including visual bins to encourage the separation of recycling and compostable waste across the Zoo site. We are also providing guidance on the most sustainable choices of packaging for use in the Zoo’s cafés.

South Canterbury’s new sustainability duo

Responding to the growing demand for local sustainability solutions, EnviroNZ’s new education programme is empowering people in South Canterbury to make greener choices and raising awareness of the importance of recycling and resource recovery. Sustainability champions Deepa Goswami and Danielle Schäche work with local groups in South Canterbury to support the region’s waste minimisation goals, providing practical guidance

to enable residents and businesses to waste less and recycle more. Their role is to help people look at resources and waste in a different way.

Working with the Waikato community

Hamilton City Council and Waikato

Regional Council worked in partnership with EnviroNZ to create a drop-off event for residents to safely dispose of household hazardous materials, free-of-charge. We developed an online event registration platform to manage the process and ensure the right

collection requirements were in place. Some 3.4 tonnes of material was collected, including paint cans, household cleaning products, motor oil and even two large barrels of salmon oil.



Danielle Schäche and Deepa Goswami





In 2021, we established our sustainability foundation, by working with our stakeholders to identify our sustainability focus areas and key programmes to ensure we deliver on what matters most.

By establishing our data baselines, developing programmes and working in new ways, we have put our sustainability plan into motion.

We understand the important role we must play in addressing climate change. Our innovation and investments to date have helped to reduce our emissions, and more is needed to accelerate action.

We have several key milestones ahead in 2022, starting with carbon certification with Toitū. This allows for external verification of our GHG inventory and validates the accuracy and completeness of our emissions data. The rollout of a new ESG reporting platform for the business will be key to consistent, aligned reporting.

Also in 2022, we will introduce a Supplier Code of Conduct, expanding our work in sustainable procurement and governance related to our supply chain.

The wellbeing of our teams will be a continued focus, and establishing a strong foundation for our Diversity and Inclusion work in 2022 will help us deliver on our 2030 target.

We are looking forward to further engagement with our customers, partners and stakeholders to grow our positive impact together.

We recognise that delivering on our sustainability goals is a shared journey which can only be achieved by growing and strengthening our partnerships to create more impact. Our team is determined to leave the world in a better way than we found it, and we're committed to working with you for a greener tomorrow.