

SUSTAINABLE BUSINESS NETWORK REPORT

Climate action in Aotearoa New Zealand SMEs - current trends, drivers and barriers

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Executive Summary

This report examines the current engagement of Aotearoa New Zealand's small and medium enterprises (SMEs) in climate action. It is based on insights gathered from interviews with 22 organisations*. It also draws on research and expert insights.

The report shows that while SMEs are aware there are benefits to taking climate action, few are doing so. They are being held back by lack of time, cost concerns and difficulty finding relevant information. What they need is better tools, training and financial support. Big business, government and supporting organisations have a vital role to play in helping SMEs take action if we are to meet our nation's climate commitments.

*The interviews took place throughout November 2023. See Appendix A for a list of interviewees.

Introduction

Businesses of all sizes have a vital role to play in transitioning Aotearoa New Zealand to a low emissions economy. SMEs make a significant contribution to the economy and their impact on climate is likely of a similar magnitude.

All SMEs interviewed for this report were aware that there are benefits to taking climate action. Yet only 36% said it was a priority and only 36% were measuring and/or reporting on their climate impacts. Economic concerns and a short-term survival mentality are taking precedence.

Businesses that are taking climate action are mainly focused on easy wins such as waste management and reduction.

Motivators

The strongest motivation for SMEs to act on climate is financial.

73% of interviewees said the potential to grow profits was very strongly motivating, while 68% identified a reduction in operational costs as a strong motivator.

Secondary drivers were market demand and values alignment, both identified by 64% of interviewees as strongly motivating.

Emerging motivators include climate-related disclosure requirements and supplier reporting expectations.

Both will lead to increasing scrutiny of SMEs by corporates and the financial sector and are likely to drive greater climate action in future.

Barriers

In 2020, <u>our research</u> identified lack of time and knowledge as the two key barriers to SMEs taking climate action. Four years on, these barriers remain.

However, they have been joined by cost concerns. Widespread financial challenges and economic uncertainties are now shaping decision making. SMEs are focusing on short-term business maintenance rather than long-term resilience. They perceive climate action to be costly.

82% of interviewees for this report said lack of time was a barrier to taking climate action. 59% identified cost and 55% difficulty finding relevant information.

Enablers

SMEs need support to help them overcome these barriers and act on climate. In particular, they need more information and training on the financial benefits of climate action as well as practical solutions. They also need better digital tools tailored to their needs.



The businesses interviewed for this report value simple information and tools. They prefer information to be specific and relevant to their business, with relatable case studies and examples.

SMEs need financial support to help them adopt solutions. This includes subsidies or co-funding from government as well as sustainability-focused loans, funds and grants. 55% said access to funding would be a strong motivator to taking action.

SMEs operate within systems defined by larger businesses and by local and national government. Together with supporting organisations, corporates and government can remove the barriers and help SMEs take climate action.

This includes helping them access trusted information and training, and providing financial support. It is through a collaborative, system-wide approach that Aotearoa New Zealand will have the best chance at meeting its climate goals.





Introduction

Climate change is one of the biggest issues facing our planet today. The past year has seen an increase in frequency and severity of weather events exacerbated by a warming climate. Kiwi businesses are starting to feel the direct impacts of climate change.

Aotearoa New Zealand has made a commitment to halve our emissions by 2030 and transition to a net zero carbon economy by 2050. Business has a major role to play in this. Everything we do today to address climate change helps lessen the impacts we will face in the future.

Businesses of all sizes and from all sectors must engage in climate action. Actearoa New Zealand's economy is largely driven by SMEs, with 99% of businesses having fewer than 50 employees. Collectively, these businesses employ more than 40% of the workforce.1 In 2022, SMEs contributed more than a guarter of Aotearoa New Zealand's Gross Domestic Product.² While there are no specific figures on the cumulative amount of greenhouse gas emissions related to SMEs, emissions are closely tied to economic activity. Together, SMEs can play an important role in reducing national emissions.

In 2020, the Sustainable Business Network (SBN) published an initial research report: Accelerating Climate Action by New Zealand SMEs.³ It looked at the limitations of the current system, identifying a lack of time and knowledge as the key barriers to taking action. The report initiated the creation of a public-private partnership, the Climate Action 20/25

Programme, aimed at addressing these barriers. In March 2021, the programme launched the Climate Action Toolbox, a free, online tool to help SMEs measure and reduce their emissions.

With more than 54,000 unique users in its first three years, the Climate Action Toolbox has been a huge success. However, more action is needed. Four years on from SBN's initial research, the system is changing. While new drivers are emerging, SMEs are also facing growing challenges.

This report identifies the current trends in climate action and the system SMEs are part of today. It looks at key areas, including overall environmental awareness and concern, current climate actions, key motivations and drivers, and the barriers to taking further action. It also looks at the range of carbon measurement and climate action tools available to businesses in Aotearoa New Zealand. Finally, it identifies the critical factors needed to drive change in the system.



Findings

Current SME attitudes and climate action

Environmental concern

The interviews indicated the majority of SMEs (77%) were concerned about their impact on the environment. They identified waste management as their primary area of concern, followed by climate change, then nature and biodiversity loss. The same percentage were concerned about the impacts climate change would have on their business. The potential cost increases and difficulty in sourcing materials and/or ingredients resulting from a warming climate and extreme weather impacts were of particular concern.

Despite those concerns, only 36% identified climate action as a top priority for their business. Widespread financial challenges and economic uncertainties are shaping decision making. SMEs are facing low cash reserves, and are struggling to find expertise and retain staff.

They are also facing price increases from suppliers and are in a survival mentality, focusing on short-term business maintenance rather than long-term resilience. Therefore, climate action is not seen as a top priority.

Recent large-scale surveys in Aotearoa New Zealand show a similar picture. An EECA survey, conducted in late 2023, found 66% of respondents agreed now was the time to act on climate change but only 22% said it was a priority for their business.⁴ Similarly, only 20% of businesses surveyed in Better for Business research said improving their impact on the environment was a development goal.⁵

"It's a challenging time right now, all about survival and money in the door. Unfortunately, anything outside of that falls away."

Interviewee





Current action

When looking at actions to reduce impacts on the environment, our findings suggest the majority of businesses are focusing primarily on waste. 86% of interviewees said waste management and reduction were key areas for action. Varied levels of action were being taken around climate change. Travel and transport improvements were identified as a focus area by 64%, followed by energy reduction at 50%.

Research suggests that businesses typically start by taking actions that are easy and accessible, before moving on to those that require more investment.⁵ Similar to our interview results, research highlights waste management and waste reduction as the most common actions for businesses to take. This is followed by energy efficiency,

remote or flexible working and using local supply chains.6 Only 36% of SME interviewees said they were measuring and/or reporting on their climate impacts. Measuring emissions was less common for businesses than taking some actions to reduce emissions. This was reflected in the latest EECA survey which found 24% of respondents were working to reduce emissions without measuring them, compared to 9% who were measuring their emissions.4

Key motivations and drivers

Despite not being a top priority, all interviewees were aware that there are benefits to taking climate action and 86% were motivated to act as a result. Businesses were motivated by a range of factors.

The primary motivations were:

1. Financial benefit

73% of respondents identified the potential to grow profits as very strongly motivating, with 68% identifying a reduction in operational costs as a strong motivator.

2. Market demand

64% of respondents recognised the growing importance of sustainability to customers and clients, identifying this as strongly motivating.

3. Values

64% of respondents were also strongly motivated to reduce their impact on the environment because "it's the right thing to do".

Other factors included being resilient to future risks, gaining a competitive edge, and attracting and retaining staff.

Regulation and pressure from other businesses were less commonly identified as strongly motivating, with 45% and 40% of respondents respectively rating them as strong motivators. While not influencing many SMEs yet, they were identified as emerging drivers. When asked if they anticipated anything changing in the near future that would lead to more climate action, 50% of interviewees identified policy changes and increased regulation, 27% also identified the flow-on effects of mandatory climate-related reporting requirements and increased supply chain engagement by larger companies.

The Aotearoa New Zealand Climate Standards are driving more disclosure of greenhouse gas emissions data by large organisations.







International market expectations are also prompting more action from large companies.⁷ This includes companies reporting on the emissions coming from their supply chains, which are often made up of smaller businesses.

Currently, there are no standardised guidelines on how supply chain data should be collected and reported. Expectations for accurate emissions data from suppliers are likely to increase over time.

Financial institutions, such as banks, also have reduction targets and reporting requirements that apply to the emissions associated with their lending and investment activities. Many smaller businesses that receive loans or investment will be expected to provide this data.

Therefore, smaller businesses

need to be prepared for upcoming requirements to measure and report on their emissions.

Barriers to climate action

According to our interviews, the primary barriers to taking climate action were:

1. Lack of time

82% of interviewees said SMEs struggle to find the time to research and implement changes.

2. Cost

59% of interviewees see the cost of making changes as a significant barrier to taking action.

3. Difficulty finding relevant information

55% of interviewees find it challenging to find the right information or advice.

This was supported by qualitative responses. Changing the behaviour of staff and customers was also mentioned as a challenge to taking action.

Lack of time, knowledge and understanding were already apparent as key barriers for SMEs when SBN's Climate Action 20/25 Programme launched in 2020.³ The cost barrier has increased over the last four years, as reflected in our interviews. EECA's research also highlights economic issues and the perception that climate action is costly, as growing barriers to action.⁴

As a result of financial pressures, many small business owners are experiencing stress, frustration and concern about their business performance and costs.8





Business owners and staff wanting to measure or reduce their emissions can face significant mental barriers. These include finding information too complex, being afraid of making mistakes, and not knowing where to start or how to choose the right actions.

A growing number of businesses surveyed by EECA wanted to take action but didn't know what to do.⁴

Enabling SMEs to act on climate

Saving time and simplifying

Lack of time was often mentioned by interviewees as a barrier to taking climate action. This was in connection with complexity, or with not having expertise or dedicated roles to focus on sustainability.

Examples of activities where the time investment needed

was challenging included: researching and understanding solutions, gathering data, and completing carbon footprint measurements or certifications.

Making climate action simple for SMEs can help to address this barrier. Reducing the time it takes to find the right information and to apply it to their business could also help. This could be achieved through in-person support, tools and resources, or both.

In terms of tools to support climate action, interviewees wanted specific guidance for their business and industry, simple information, and digestible formats such as videos. These suggestions are all potential time savers.

While lack of time was widely recognised as a significant barrier, a small number of interviewees said being passionate about climate action meant they prioritised it when needed. Strengthening motivations for climate action could help business owners and staff overcome the barriers to spending time on it. Motivations relating to top concerns for business, such as revenue and managing costs, might be powerful to make climate action a higher priority.

Financial support and changing perceptions of cost

Recent policy changes such as the closure of the Government Investment in Decarbonising Industry (GIDI) fund and the end of the Clean Car Discount have reduced the availability of financial support from the government for climate action.

Funds and grants still available include many focused on waste minimisation, from local council funding through to the national Waste Minimisation Fund and Plastics Innovation Fund.9

Others, like the Technology
Demonstration Fund or the
Research & Development Tax
Incentive, focus on technology
and innovation.¹⁰ There is an
opportunity for more financial
support targeted at enabling
businesses to adopt proven
solutions for emissions
reduction, where cost would
otherwise be a barrier.

Some of this need may be addressed by private sector financing, such as the growing number of sustainability-focussed loan offerings for businesses. In the interviews, 55% of respondents identified the ability to access funding for specific improvements as a strong motivator to taking action.

Many interviewees said that businesses would be motivated to take further action if they could see the financial benefit from doing so.





Some interviewees and experts noted actions that made business sense were not always seen as being sustainable or counting as climate action. For example, a business working to minimise waste or use energy efficiently may not necessarily think it is taking action on climate. This reflects and entrenches assumptions that it must be expensive to operate more sustainably or reduce emissions.

Climate action tools and resources, as well as communication from organisations that support SMEs, can play an important role in changing this perception. Highlighting the benefits of solutions that reduce both costs and emissions, such as energy efficiency, and providing examples of businesses that have experienced these benefits, could help more SMEs

see the financial advantages of climate action.

Information and training

A range of initiatives could help address the barriers identified in this report. Resources such as the Climate Action Toolbox and EECA's Gen Less platform provide comprehensive guidance on how business owners can take action to reduce emissions.12 Through our interviews, 36% of respondents identified having targeted help and information, specific to their business type or industry, would encourage further action.

Our interviews explored SMEs' preferred means of receiving information to support their business. Email was identified as a useful medium by 73% of interviewees, and the top preference for half.

Advantages included accessing

information from anywhere at any time, with the option to then find more information online.

Training, either in-person or online, was identified by 56% of interviewees as a useful way to connect with other businesses and receive direct support and guidance. Some of the organisations we spoke to that support SMEs, such as councils, chambers of commerce and economic development agencies, also saw training as a good way to connect businesses with the right resources and tools and provide the confidence to use them.

These organisations can play an important role in helping to communicate this information to SMEs through their existing training offerings, or in partnership with other training providers, such as the Sustainable Business Network.

This includes highlighting success stories of businesses like theirs that have implemented climate actions and experienced benefits.

"There is a lot of information out there, and having the support to guide us through it and pick out what's important was invaluable. Having people we could call on for guidance really helped us dial in on the areas where we should focus, saving time and streamlining the whole process."

Participant in SBN climate action workshop



Digital tools to support climate action

The use of digital tools is common for most small businesses in Aotearoa New Zealand, though not universal. Research in early 2022 found almost 60% of SMEs use digital technologies and tools to conduct at least half of their business.² Over 60% have been using tools such as cloud accounting and payroll software, and online communications, since 2021.13 Confidence and uptake of digital technologies are increasing, however some significant barriers remain. These include a lack of awareness about what is available, difficulty choosing the right tool, and security and cost concerns.13

When it comes to climate action, there are growing numbers of web tools and

software to support
businesses, particularly
around emissions calculation
and management. Paid
software, such as from
CarbonTrail, CoGo, MyImprint,
and Sumday, tends to offer
more automation for
emissions calculations. This is
often based on attributing
emissions against business
expenditure.

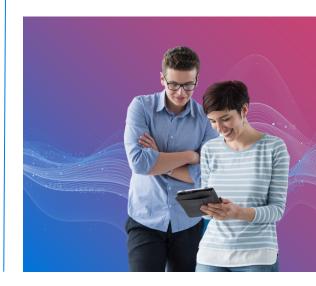
Free tools such as the Climate Action Toolbox, Business Lite Calculator from Ekos, or the Business Carbon Calculator from Normative, more often focus on activity data for emissions calculations. This requires users to gather and enter information on their business activities, e.g. the amount of electricity purchased or fuel used. Many of the tools that offer calculations also provide suggested solutions for reducing emissions. However,

in-depth guidance on how to implement these solutions is relatively rare.

According to our interviews, SMEs value simplicity and ease of use of tools supporting climate action. They also prefer information to be specific and relevant to their business and sector, with relatable case studies and examples. The ability to share progress was identified as a valuable feature. as well as information on the costs and benefits of taking action. Cost, complexity and time investment were identified as key challenges in the uptake of digital tools.

Tailored support and clear benefits can help SMEs adopt digital technologies for climate action.¹⁴ So can successful case studies, incremental steps, clear benefits and simple choices.¹⁵ "The Climate Action
Toolbox has helped us
understand the key areas
where our emissions come
from. It's not just with
transport as we originally
thought. Emission levels
from our office energy use
were a real surprise."

Emah Tippett Electrical Business Manager, ICE





The role of supporting organisations

SMEs operate within systems almost exclusively defined by larger businesses and by local and national government.

Larger businesses and government, together with other supporting organisations, can help shape these systems to remove the barriers and motivate SMEs to take further climate action.

The role of big business

Although SMEs are far more numerous, large businesses hold a lot of influence and economic power in Aotearoa New Zealand. Their expectations and engagement with suppliers and business customers can be powerful in setting the context for SME climate action. Procurement and sustainability teams, insurers and bankers, and other staff in large businesses who

work directly with SMEs can play a key role in supporting climate action. Beyond setting targets and requirements, this can include connecting SMEs with resources like the Climate Action Toolbox and providing access to training and support.

The role of government

Government policy and regulations shape the system for SMEs. The availability of government funding, grants, subsidies or other incentives can be strong motivators for climate action. They can also affect which emissions reduction actions are possible for SMEs.

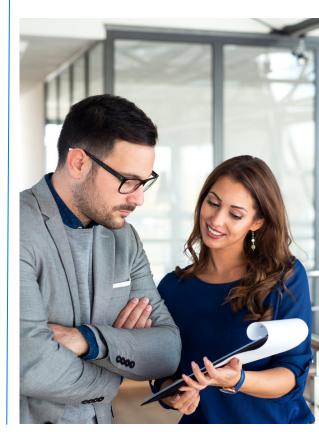
Regulations that do not directly target SMEs, such as climate-related reporting and disclosure requirements, can flow on to affect smaller businesses whose emissions contribute to the carbon footprint of businesses they

work with. Disclosure regulations may result in larger businesses or financial institutions requesting emissions data from the smaller businesses in their supply chain.

Notably, our interviews indicated a mix of attitudes towards regulation as a driver for action. For some businesses, it is a strong motivator. For others, feeling forced to comply with regulation is offputting and could make them less willing to engage on climate topics. Availability of funding and incentives were more universal motivators.

The role of financial institutions

Sustainable finance offerings, such as green loans or sustainability-linked loans, are growing in Aotearoa New Zealand.¹⁶





They have the potential to be strong drivers of climate action by helping SMEs overcome the economic barrier. Reliable, consistent and accurate data on environmental impacts is important for the sustainable finance system. The ability to provide data, such as their carbon footprint, can help businesses access sustainable finance.

Supporting SMEs to collect this data can be an important first step. There are also opportunities for banks and insurers to partner with smaller businesses taking climate action. This could include connecting these SMEs with resources and guidance.

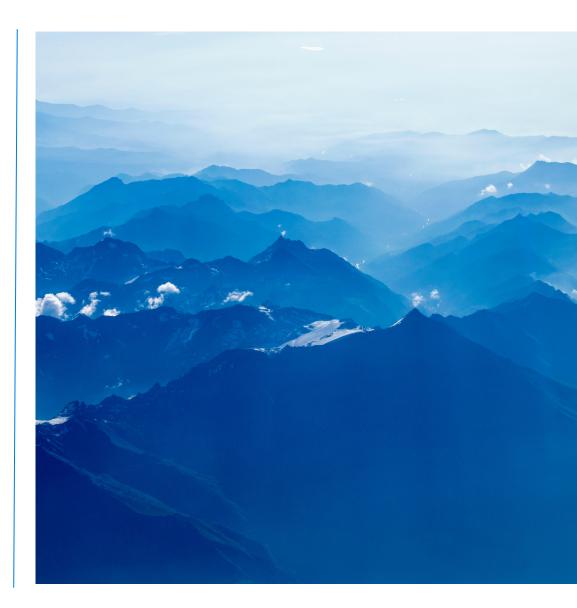
The role of support agencies

Many organisations, such as local economic development agencies, chambers of commerce and industry associations have an interest in helping SMEs to succeed and to operate sustainably.

They may hold personal relationships with business owners and can help connect them with the right tools and resources. They can also play an important role in providing additional training and inperson support, helping SMEs overcome the initial barriers to engagement.

The role of accountants

As expectations of climate-related reporting and emissions measurement develop, accounting professionals are seeing a role they can play in supporting SME climate action. This includes making emissions accounting and reporting robust, and guiding businesses to take action on climate change.¹⁷





The Climate Action Toolbox

The <u>Climate Action</u>
<u>Toolbox</u> is a free
online tool for SMEs
that focuses on
actions to reduce
emissions,
supported by
emissions calculations.



The Climate Action Toolbox provides SMEs with a comprehensive and trusted information source to guide their climate action pathways, including:

- Free, comprehensive and accessible guidance to develop a plan, take action and reduce emissions
- Specific guidance for individual sectors, starting with construction and manufacturing
- Tailored pathways that guide businesses to the most relevant actions
- Case studies to inspire and mainstream climate action
- Connections to trusted and helpful resources to support steps for putting actions into practice

The Toolbox is provided by the Sustainable Business Network and business.govt.nz, and has been developed in partnership with some of Aotearoa New Zealand's largest public and private sector organisations. They include Ministry of Business, Innovation and Employment (Small Business Services), Bank of New Zealand, Energy Efficiency and Conservation Authority, Spark and NZ Transport Agency Waka Kotahi. DNA is the digital and design partner.

Many businesses have already used the Climate Action Toolbox. More than 54,000 unique users have visited the site since its launch in 2021. Many other businesses could benefit from using it.

Development of the Toolbox is ongoing as part of SBN's Climate Action 20/25
Programme, supported by our partners. We will continue to improve the information provided, enhance the user experience, and explore opportunities identified through this report. In future, a more connected Toolbox can become the central hub for SME climate action. We welcome the support of new partners to grow the impact of this programme and enable more SMEs to take climate action.

business. govt. nz











CASE STUDY

In addition to its primary function of managing sporting activities, the North Harbour Hockey Association has set big goals around social, financial and environmental sustainability to improve its resilience, says the association's CEO Michelle Bentham.

"SBN's free online tools and resources, like the Climate Action Toolbox, helped us get things off the ground and create a seven-year sustainability plan. It was a trusted source of information and saved us time and money."

The Toolbox identified key areas for decarbonising and reducing waste, electricity and water. It then provided guidelines on what actions to take.

"Reducing our electricity use was difficult. We were using a lot for lighting our turfs. We've now found ways to reduce our power use which are saving us over \$6,000 per year."



Conclusion

Businesses of all sizes and from all sectors have a vital role to play in transitioning Aotearoa New Zealand to a net zero economy. SMEs make a significant contribution to the economy. Their contribution to climate change is likely of a similar magnitude. SMEs need to be empowered to take greater climate action. They also need support to be resilient in the face of ongoing and increased climate change impacts.

This report shows widespread concern among smaller businesses in Aotearoa New Zealand about their impact on the environment. However, climate action is a relatively low

priority due to prevailing economic concerns and a short-term survival mentality. Businesses taking climate action are predominantly focused on easy wins, such as waste management and reduction.

Businesses can be strongly motivated by financial benefits, customer demand and the environmental responsibility of taking climate action. In addition, climaterelated disclosure requirements and supplier reporting expectations are ramping up. This means there will be increasing scrutiny by large corporates and the financial sector of the smaller businesses in their supply chains. Although this pressure is not being felt by the majority of SMEs yet, it is seen as an emerging driver for climate action. Policy changes and increased regulation are

also seen as future drivers of action.

Lack of time and knowledge were identified as the key barriers to SMEs taking climate action in our 2020 report.³ These remain as key barriers today. However, economic issues and the perception that climate action is costly has also emerged as a significant barrier.

Critical factors to drive change

Enablers for climate action by SMEs include a range of strategies aimed at overcoming barriers and encouraging engagement. There is a need for organisations that support SMEs, such as councils, economic development agencies and industry associations, to provide more information and training on the financial benefits and practical solutions of climate action. In addition, there is a need to further develop digital tools so they are tailored to meet the evolving needs of SMEs.

Highlighting successful examples of businesses that have taken action to reduce emissions can help motivate SMEs and give them examples to follow. Additionally, SMEs need financial incentives and support to cover the costs of implementing low-emissions solutions. This can include subsidies or co-funding from government, as well as sustainable finance offerings from banks. Information, tools and training offerings discussed above can also help SMEs to recognise financial benefits and access financial support.





Government policy can play a significant role in making climate action possible for SMEs.

Regulatory requirements can be a driver to act, however are not always motivating. Measures to incentivise and enable action, such as subsidies or targeted funding can be powerful enablers.

Government agencies can also play a role in helping SMEs access trusted information and training.

As expectations of climate-related reporting and emissions measurement grow, larger organisations will hold a lot of influence over smaller businesses in their supply chains. Through the provision of guidance, training and incentives, larger organisations, along with support agencies, accountants and financial institutions can play a significant role in supporting SMEs to take climate action.

SBN's Climate Action 20/25 Programme

The Sustainable Business Network is Aotearoa New Zealand's largest sustainable business organisation. We're a powerful community of more than 500 diverse organisations. We combine sustainability expertise with practical solutions, to transform knowledge into action.

SBN has played a key role in providing SMEs with training and guidance for taking climate action for more than 21 years.

As a champion of sustainability for smaller businesses, SBN will continue to explore ways to make it easier for SMEs to reduce their emissions and become climate resilient.

The Climate Action 20/25 Programme forms the pillar of this work. It is helping SMEs overcome the key barriers to climate action and take advantage of emerging opportunities. This work is supported by our Climate Action 20/25 Programme partners (see page 14).

The Climate Action Toolbox (see page 14) is a core part of this Programme. The insights from this report, together with additional research and user feedback, will guide our continuing development of the Toolbox. This includes enhancements to the user experience, and integrating new features to meet the emerging needs of businesses.

SBN is working to inspire and mainstream climate action through sharing case studies and running the Sustainable Business Awards. In addition, the <u>Circular Economy Directory</u> profiles low-emissions suppliers.

SBN's capability-building initiatives, focusing on climate action, have also empowered numerous businesses and provided them with the skills and knowledge to start measuring and reducing their emissions. Working directly with SMEs, and with the people who support them across a wide range of organisations, SBN will continue to strengthen the system around SME climate action.

sustainable.org.nz



Appendix A

Acknowledgements

SBN thanks all those who contributed their expert opinions on SMEs and climate action through interviews and discussion. Organisations interviewed include the following:

Interviewees

Business North Harbour

Convino

Development West Coast

EightyOne

Goodnature

Lane Neave

Matakana Market

Nelson City Council

Northland Regional Council

Oceans by Drops

Qualmark

South Canterbury Chamber of Commerce

Spritely

Sputnik

Swish Property Services

Tātaki Auckland Unlimited

The Good Tonic

Tourism Industry Aotearoa

Two Islands

Venture Taranaki

Expert conversations

Chartered Accountants Australia and New Zealand

Ministry of Business, Innovation & Employment



Appendix B Methodology

SBN conducted 22 interviews with a range of organisations. The interviews took place throughout November 2023.

The methodology used throughout this research was as follows:

Quantitative responses to Yes/No questions

For the following questions, we took the total number of respondents who answered "Yes" or "No" and expressed this as a percentage of the total number of interviews conducted.

- Are you / your members concerned about the impact of your / their businesses on our environment?
- Is taking climate action a priority for your / your members' business?

- Are there any benefits you / your members know about from taking climate action?
- Are these benefits motivating you / them to take action?
- Are you / your members measuring and/or reporting on your / their climate impact?

Quantitative responses to rating questions

For a range of questions, interviewees were asked to rank certain factors on a scale of 0-5. The total count of respondents who answered over a certain number on the scale was then expressed as a percentage of the total number of interviews conducted.

When asked about what factors motivate them to take action on climate change, 0 was "not at all motivating", and 5 was "very strongly motivating". Responses over 3.6 were considered strongly motivating for the purposes of this research.

Similarly, when asked about what factors were seen as a barrier when taking climate action, 0 was "not a barrier" and 5 was a "very significant barrier". Responses over 3.6 were considered significant barriers for the purposes of this research.

Qualitative responses

For the following questions, interviewees were to explain their answers. From the results, we were able to identify specific themes that were mentioned. The total count of businesses mentioning each theme was then expressed as a percentage of the total number of interviews conducted.

- How would you best describe the actions you are taking?
- Do you anticipate anything will change in the near future that would lead to more action?
- What are the main challenges you / your members' business faces in taking climate action?
- How do you / your members usually like to get information on topics related to your / their business activities?



Appendix C

Endnotes

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