



Is Proxima a responsible business and reaching its impact potential?

Haere mai ki Proxima

We are bold, we are kind, we are curious

Our specialist sustainability and impact consulting services build the capability and confidence of our clients so they can achieve their full potential. Together we are accelerating towards a future that is economically inclusive, socially just and environmentally restorative.

Proxima is a team of six operating out of Aotearoa New Zealand. Our guiding kaupapa – The Proxima Way – sets out how we operate and what we value.



Impact report 2023

What drives us?

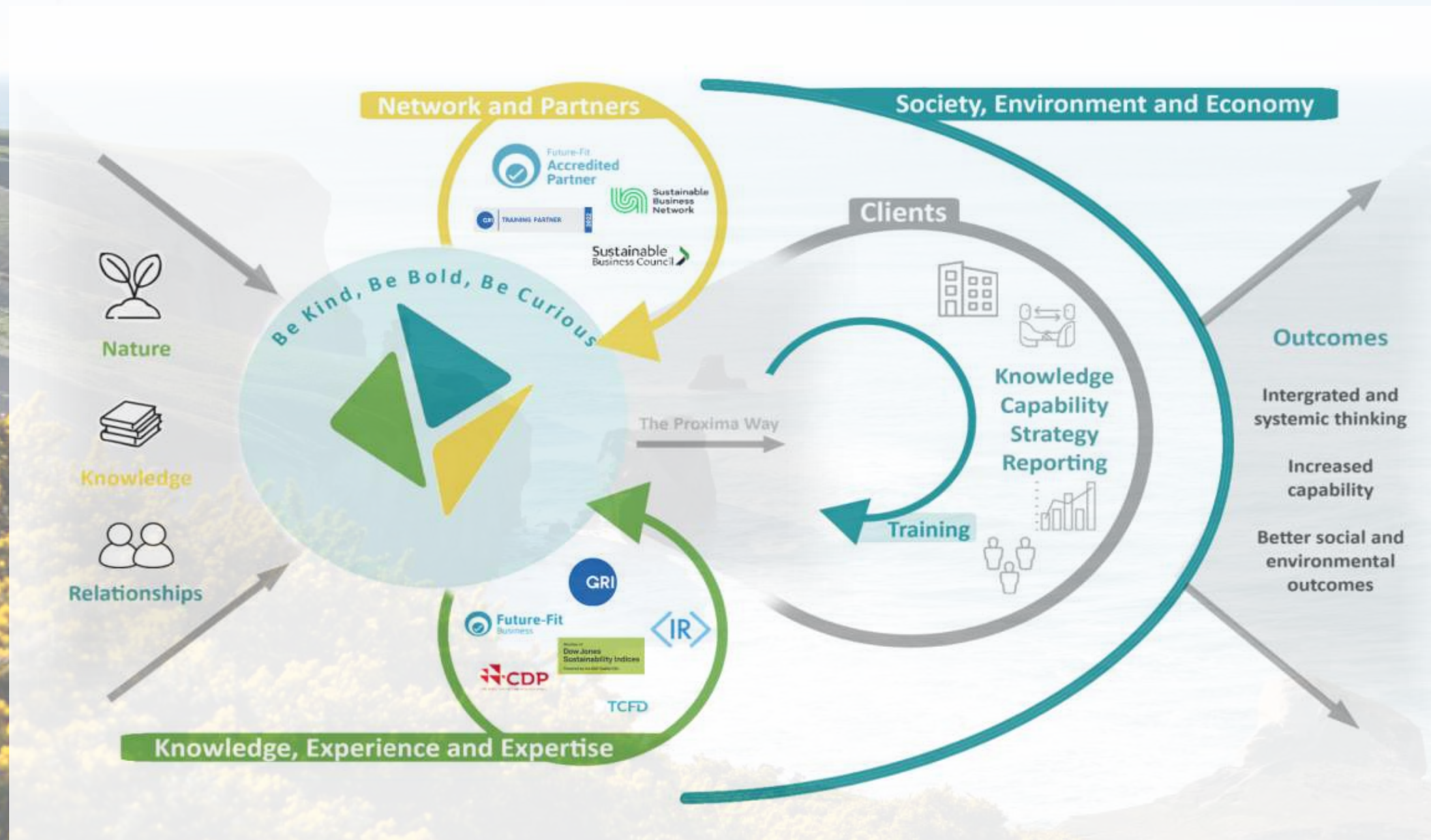
Creating a systemic change for a brighter future

Human impact on natural systems is exceeding the thresholds of sustainable balance; and we are witnessing nature's response with a climate emergency, biodiversity collapse and water crises. Human wellbeing and levels of trust in society are under pressure despite an abundance of food, materials and technological knowledge. These challenges are as relevant in Aotearoa as they are in other parts of the world; and addressing them in a systemic and effective way is what drives Proxima. This is our reason for being.

How do we create value?

In collaboration with our clients

Through our team's application of knowledge, experience and expertise, and in collaboration with our networks and partners; we provide advice and training for our clients. We take a knowledge-sharing approach so we can help build the collective capability in Aotearoa to accelerate change toward a socially just, economically inclusive and environmentally restorative future. When we create value, we enable others to do the same.



We depend on nature, knowledge and relationships to generate integrated and systemic thinking, increased capability, and better social and environmental outcomes.

The Proxima Refillery!



Our Material Impacts

Proxima is an impact consultancy, driving organizations to take steps toward reducing their negative impacts and focusing on creating positive results for a thriving future. Understanding the measurable impacts of our work, especially additionality and causation, is complex because our support is often part of a larger programme of work.

As the updated GRI Standards 2021 take effect, with a shifted focus on the organization's most significant impacts on the economy, environment, and people, including their human rights, the Proxima team reviewed its various material issues (discussed in detail in the Proxima Way). We haven't scored the impacts below based on their significance, as they have a low significance overall, and we address all of them equally. Our impacts remain largely the same as for FY22.

Material impacts

- Strengthening our customers' capabilities
- Physical and emotional wellbeing of our team
- More people have access to economic opportunity
- Individual freedoms are upheld for more people
- Procurement safeguards the pursuit of future fitness
- Others generate less waste

The material impacts addressed here have been identified through internal discussions and research; and are aligned with the **Future-Fit Business Benchmark**. Further details about them can be found in the [Proxima Way](#).

Proxima's impact theory is that we can create the biggest difference by building the capability of our clients. This is described in more detail on page 6 where we talk about Future-Fit Positive Pursuit 17: *People's capabilities are strengthened*.

Proxima operates from the Tourism Holdings Limited (thl) office in Auckland and runs a refillery for thl staff. The refillery comprises various Ecostore products like laundry liquid, dishwash liquid, body wash and many more. thl employees bring their empty bottles to the office and Proxima fills them up.

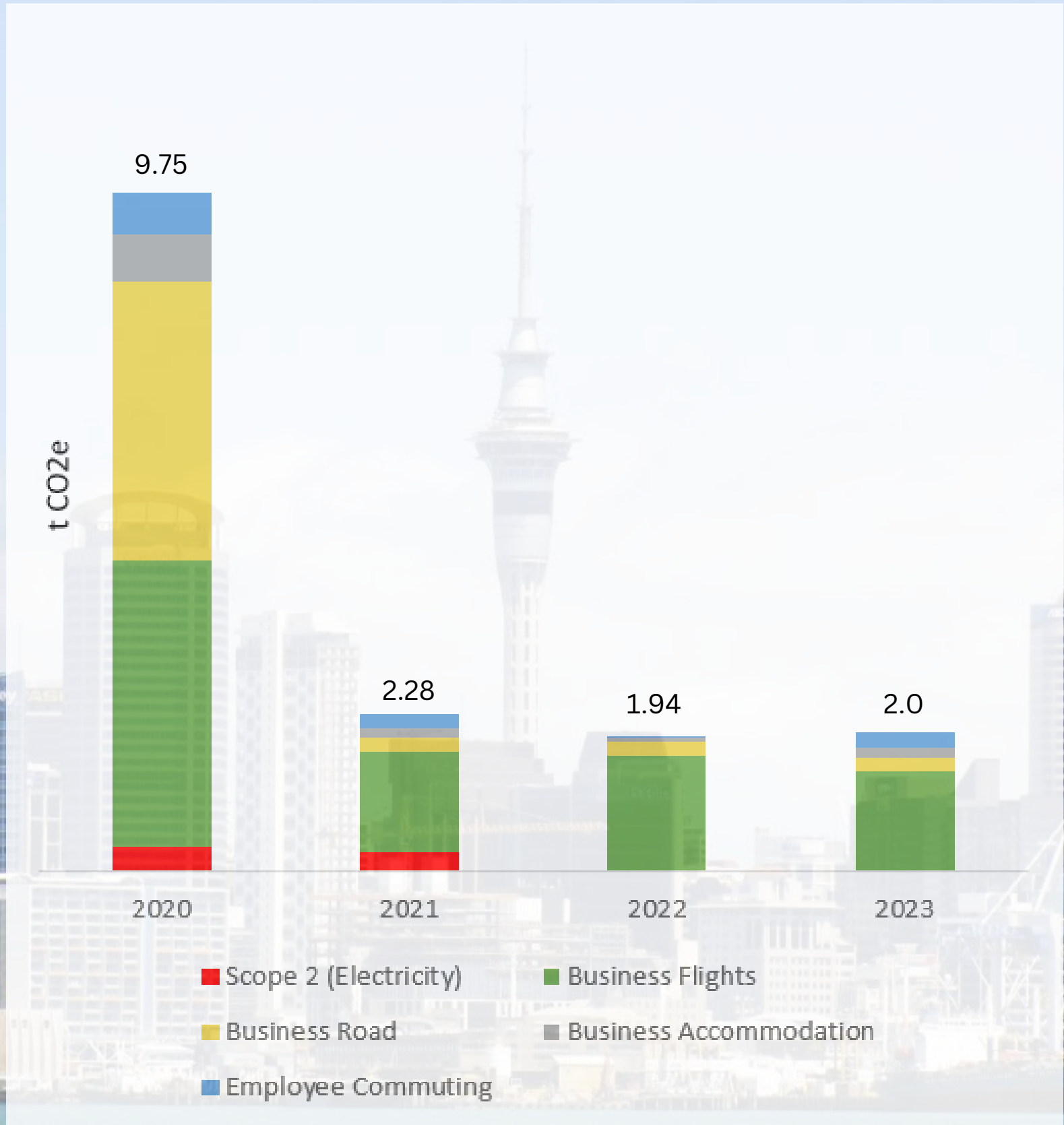
Through the refillery, Proxima helps thl employees reduce plastic waste by refilling existing bottles. As a result, two blue recycling bins of plastic recycling are avoided each month along with all the resources and energy used to create more 'single-use' containers.

The initiative is primarily intended to drive conversations and nudge people towards generating less waste; and to build their understanding of the issues. In FY23, we saved **818** bottles from going in the recycling bin. This initiative relates to Future-Fit Positive Pursuit 10: *Others generate less waste*.

Proxima's carbon emissions

Proxima's GHG emissions in 2023 remained at a similar level as the previous year. There is some increase in emissions from employee commuting, since the team travelled more often to the office. With our current office, we do not pay separately for electricity (as we share space in offices of *thl*). As a result, office electricity has been included under the 'leased assets category' for reporting. We do, however, calculate our approximate emissions from energy use and report on it using the Future-Fit Business Benchmark.

Emissions in the graph do not include categories like waste and upstream leased assets. When these categories are included, overall total emissions are slightly higher (see further details on [page 7](#)).



We commit to an absolute emissions reduction of 46.2% for our scope 1, 2 and 3 emissions by 2030 against a 2019 baseline.

This is in line with 1.5°C - absolute methodology (SBTi) and the New Zealand Government's carbon budget.

What are some actions Proxima has taken to reduce emissions?



Proxima chooses vegetarian meals only for its in-person training courses. We haven't received any feedback about people desperately missing meat - the meals are always delicious! Proxima also tries to maintain that by primarily opting for vegetarian catering for its events and get-togethers.



Proxima team members primarily opt for Zilch rental EVs for travelling long distances (wherever flights are not required). When taking flights, they use public transport to get to the airport or cycle down there (even borrow bikes from other team members!)



Proxima team members are driven to reduce their emissions in their personal lives as well. Two of our team members own EVs now. Two of our members also own a PV system (can you guess how much they pay for electricity?)

Why doesn't Proxima verify its emissions?

At Proxima, we have diligently accounted for our Greenhouse Gas emissions from the get-go. We dutifully tick the offsetting box whenever we fly and offset all our emissions with Ekos. For the past few years we also had it verified and certified. We no longer do this (since FY22). Why?

For small organisations like us, verification puts the focus on the accuracy of reporting rather than action. We are sufficiently confident that our numbers stack up. Last year, our emissions were 2.41tCO₂e. They can be 2.43t or 2.39t next year, yet what we define as our scope is more relevant. Additionally, it does not change our levers for action. Action trumps accuracy.

Large organisations should still pursue verification while taking action to build carbon capability within the organisation. The verification will also show that your organisation is serious about addressing and reducing its emissions. And, the least inspiring reason: compliance!

Measuring your emissions is relatively easy, reducing them takes more effort.
Where would you rather spend your time: carbon reporting or carbon action?



Positive impact

We use the Future-Fit Positive Pursuits to guide measurement of our impact, with a current focus on PP17 which covers building the capability of others. Our impact theory is that this is where we can make the biggest difference. Our challenge is measuring the actual outcomes and impacts from our work because we have no control or detailed knowledge of how all the stories end. Anecdotal evidence relayed back to us supports our theory that it makes a real difference, however the most accurate reporting we can provide relates to the number of people who we have trained or who have participated in an engagement with a knowledge transfer component. The main impacts of our work with clients are reduced greenhouse gas and other harmful emissions, less waste, less damage to ecosystems, more just treatment of people and overall better decision-making based on systems-thinking.

Proxima is committed to a Future-Fit Society.

Increasing our impact

We are committed to making a difference through our work. Whilst most of Proxima's client work affects the decisions they make, measuring the actual impact of that is not easy. Currently we record our activities through which we build people's capabilities and try to measure our impact that way. We are looking for better ways of measuring our positive impact. In FY23 we focused on Positive Pursuit 17: ***People's capabilities are strengthened.***

Our Break-even goals

We have articulated, implemented and solidified a raft of policies and practices to align how we perform against the 23 Break-Even Goals. Currently, we break-even on 15 of the 23 goals. Five of the 23 goals are not applicable due to Proxima being a service-only provider. Our ultimate goal is to reach 100% on all applicable Break-Even Goals so we can be confident that we are contributing to a socially just, economically inclusive and environmentally restorative society.

Our complete FY23 Future-Fit dashboard on the following page includes our scores for all 23 Break Even Goals and relevant commentary against each goal, briefly depicting reasons for the scores.

Break Even Goal	Objective	FY23 Score	Change from previous year	Commentary
BE 01	Energy is from renewable sources	82%	↑ 3%	We used 2,870.38 kWh of energy in FY23. Out of that, 1778.91 kWh is renewable. In FY23 we consumed more non-renewable energy through the use of internal combustion rental vehicles and taxis, compared to FY22. The reason for the 3% increase in score is the higher contribution of renewables to the grid.
BE 02	Water use is environmentally responsible and socially equitable	100%	↔ 0%	Watercare manages our water. In FY23, the water sources were not identified as 'stressed'. Watercare's discharges into the Manukau Harbour were evaluated to meet safe discharge characteristics. Water stress and safe discharge are the factors that determine Future-Fitness.
BE 03	Natural Resources are managed to respect the welfare of ecosystems, people and animals	n/a	n/a	We do not own or manage any natural resources, and we do not carry out any sourcing activities (like farming or mining) that could impact ecosystems or communities. This goal is out of scope.
BE 04	Procurement safeguards the pursuit of future-fitness	100%	↔ 0%	Our procurement relates only to ancillary goods, like laptops, food, accommodation, flights, paper, etc. In FY23 we checked our Procurement Hotspot Guide which guides our purchasing decisions. Because we effectively seek to procure options which cause the fewest negative impacts, our Future-Fitness here remains at 100%.
BE 05	Operational (Non-GHG) Emissions do not harm people or the environment	n/a	n/a	Proxima decided to discontinue reporting on BE05 from FY22 onwards, because the values of the solid and gaseous emissions we are mutually accountable for (e.g. rental cars, taxis, ferries, etc.) are de minimis.
BE 06	Operations emit no GHG Emissions	100%	↔ 0%	Proxima emitted 2.41 tCOe in FY23, which includes Scope 1,2 and selected Scope 3 emissions. While Proxima offsets all of its emissions through EKOS (which is why fitness is 100%), our focus is always on reducing first, keeping offsetting as a last resort.
BE 07	Operational Waste is eliminated	82%	↓ -16%	Using a proxy for waste that one full time staff member represents 41.88 kg per year, we estimated that Proxima created 70.48 kg of waste in FY23. There is a significant increase in waste created compared to FY22, as team members commuted more often to the office. As a team, Proxima does not create a lot of waste, so the method of calculating waste should be reconsidered.
BE 08	Operations do not Encroach on ecosystems or communities	100%	↔ 0%	The Hauraki Gulf and Auckland CBD are High Conservation areas. Our future fitness results from appropriate Treaty of Waitangi settlements with local iwi, Ngāti Whātua Ōrākei and our minor physical presence.
BE 09	Community Health is safeguarded	100%	↔ 0%	Our evaluation suggests that Proxima's presence in Auckland's CBD and beyond does nothing to undermine the community's wellbeing. Nonetheless, we have a process in place allowing the community to raise concerns ensuring our future fitness under this goal.
BE 10	Employee Health is safeguarded	100%	↔ 0%	Proxima satisfies all the criteria for future fitness with respect to employee health and wellbeing. The Proxima way consists of a Health and Safety hazard register that describes the potential risks and documents the control measures
BE 11	Employees are paid at least the Living Wage	100%	↔ 0%	We continue to pay above the current living wage as defined by Living Wage Aotearoa.
BE 12	Employee are subject to fair Employment Terms	100%	↔ 0%	Proxima's employment contracts do not permit child labour, provide comparable terms between full-time employees and contractual workers, preserve the right to bargain collectively, comply with domestic labour laws, provide for >4 weeks of holiday leave, and align with the Future-Fit Benchmark's position on maternity, paternity and parental leave.
BE 13	Employees are not subject to Discrimination	100%	↔ 0%	We have a formal diversity and inclusion controls in place to safeguard against discrimination in areas like recruitment, pay structures, and promotions. We also monitor these areas through regular conversations and also have a Concerns Mechanism in place.
BE 14	Employee Concerns are actively solicited, impartially judged and transparently addressed	100%	↔ 0%	We have formalised and implemented an internal employee concerns mechanism that deliberately aligns with Future Fit's criteria to ensure it is legitimate, accessible, transparent, fair, actively engaged and continuously improved.
BE 15	Product Communications are honest, ethical and promote responsible use	100%	↔ 0%	We have formalised and implemented an external communications plan to meet the needs of identified user groups. This plan aligns with Future Fit guidance such that users of Proxima's services are informed of potential negative impacts, are not exposed to false or misleading claims, and our services are marketed only to those capable of making informed decisions.
BE 16	Product Concerns are actively solicited, impartially judged and transparently addressed	100%	↔ 0%	We have formalised and implemented a product/service concerns mechanism that gives a voice to our clients to raise legitimate concerns. This has allowed us to achieve future-fitness on this goal.
BE 17	Products do not Harm the environment	100%	↔ 0%	Our assessments show that not only are our services completely benign to people and nature, but because of our focus on sustainability and impact - they are directly beneficial.
BE 18	Products emit no GHG Emissions	n/a	n/a	Proxima's services do not emit any GHGs as a direct consequence of their use and so compliance with this goal is ensured.
BE 19	Products can be Repurposed	n/a	n/a	Not applicable. We do not produce physical goods that could be repurposed.
BE 20	Business is conducted Ethically	100%	↔ 0%	Proxima is not immune to breaches of ethical practice. We have identified hotspot areas, such as conflicts of interest and breaches of privacy, and implemented controls and management structures to reduce risk.
BE 21	The right Tax is paid in the right place at the right time	56%	↑ 6%	Proxima has described its tax policy in the Proxima Way (we ticked an additional indicator this year, hence the 6% increase in score). We do not disclose our financial statements or tax rates, as we find it unimportant to disclose that information publicly, which is why Proxima does not break even against this goal. All Proxima members are aware of this information internally.
BE 22	Lobbying and advocacy safeguard the pursuit of future-fitness	100%	↔ 0%	We have formalised our position and controls on advocacy and lobbying, such that we do not influence market dynamics in a way that may hinder society's progress towards future-fitness. All lobbying activity is recorded in our register, and is intended to bring about a more future-fit society.
BE 23	Financial Assets safeguard the pursuit of future-fitness	n/a	n/a	Not applicable. We do not own or control any financial assets.

Building capability is where Proxima can make the biggest difference.

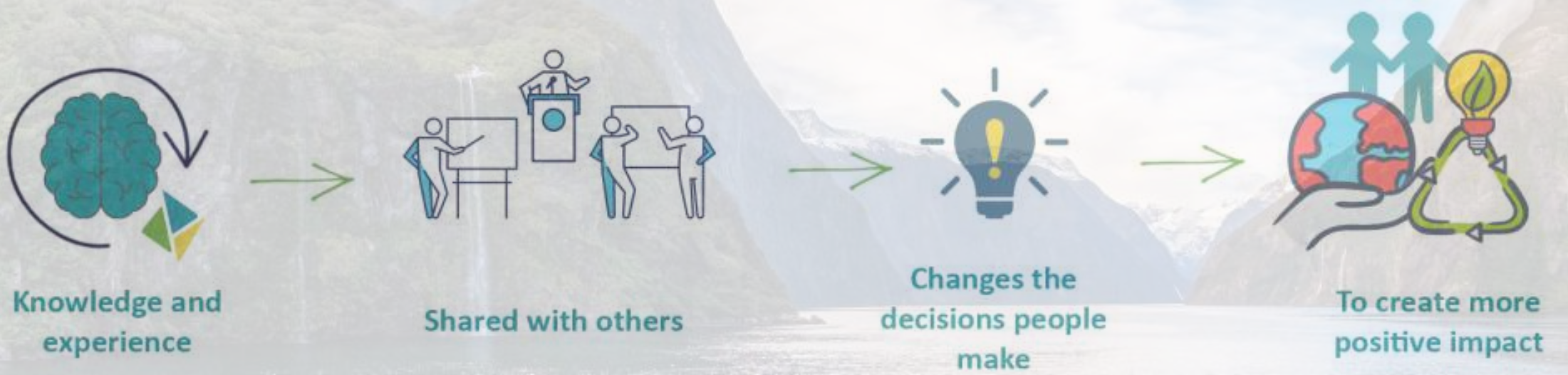
Given the gravity of sustainability challenges in Aotearoa and around the world, we need to scale up our response. We commit to sharing our knowledge and experience to build other people's capability as part of our everyday approach to create maximum impact. We do this through training courses, educational seminars, presentations and by intentionally embedding knowledge transfer in all of our client work.

In FY23, we had 25 training course attendees, roughly similar to FY22. We ran fewer Board and Executive team capability workshops compared to last year; but ran a similar number of strategy and reporting workshops to build capability of executives and wider team members.

We are currently working on an impact project to develop a MAD (Making A Difference) Governance programme. The aim is to support directors in translating the complex global and local issues of our time into practical and beneficial actions that also support wider systemic change.

This year, our work with the education sector was restricted to AcademyEx. We also ran a series of online webinars focusing on the updated GRI standards.

These *Lunch 'n' Learn* GRI events shared our experience with the updated GRI standards, profiling a range of real learning experiences with clients.



Our building blocks

Vision

To create a world that is regenerative, just and inclusive for all, where businesses operate in harmony with nature and society.

Mission

To offer specialist sustainability and impact services in a way that builds the capability and confidence of our clients to be authentic leaders.

Values

Be Kind, Be Bold, Be Curious

OUR STRATEGY

Deliver collaborative capability-building advice and support programmes that empower senior decision-makers in Aotearoa New Zealand and Australia to create actionable plans for implementing more systemic change.

PUBLICLY LISTED COMPANIES

LOCAL GOVERNMENT

OTHER ORGANISATIONS WITH POTENTIAL FOR IMPACT AND SYSTEMIC CHANGE.

WHAT WE OFFER

- ▶ Sustainability Strategy
- ▶ Climate Risk assessment
- ▶ Training
- ▶ Sustainability reporting
- ▶ Capability-building workshops
- ▶ Research
- ▶ Implementation support
- ▶ Interim CSO
- ▶ Ratings / Badges (CDP, DJSI)
- ▶ Sustainability governance review
- ▶ Executive coach

OBJECTIVE

Expand our network and build new partnerships with more listed companies in Aotearoa New Zealand and Australia to accelerate the positive impact they can have through their business activities.

OBJECTIVE

Expand our relationships with forward thinking local government agencies, sharing our experience and knowledge to develop and accelerate systemic change for the benefit of local communities across Aotearoa.

OBJECTIVE

Support a wide range of organisations with high potential for impact to embed sustainability holistically and create more positive impact through their activities.

Proxima's strategy

Proxima reviewed its strategy this year, guided firmly by our values, mission and vision. The refreshed strategy clarifies our laser focus on supporting senior decision-makers to accelerate real and systemic change. We don't see this as a separate or additional role for directors and executives. It's a fundamental element of effective risk management and leveraging potential for greater value creation, whilst simultaneously maintaining market relevance and ensuring social licence to operate.

Last year we carried out some informal research to understand better the mood of the boardroom on sustainability. We found that too many directors still see sustainability as a compliance issue, or a threat to the status quo, rather than a business opportunity. However, there are positive signs of movement. Disclosure regimes are putting climate and nature-related issues firmly on the agenda. More scrutiny of greenwash is prompting better questions from customers and consumers. And, leaders are out-competing laggards as more people put their values in their wallet.

Proxima emphasises effective learning and capability-building across all its services. Our goal is to support customers on a journey that reveals the benefits and opportunities of sustainability, based on solid evidence. This approach helps to change mindsets and embed new ways of thinking, creating a foundation with more potential for long-term impact.