



# Sustainable Infrastructure Framework

**Prepared by:** Sustainability, and Development Environment and Sustainability teams

**Reviewed by:** Kaihautu Māori  
Head of Procurement  
Head of Renewable Development  
Head of Renewable Construction

**Endorsed by:** GM Development and GM Corporate Affairs and Sustainability  
**Issued:** 29 May 2023

**Version:** 1.0

# Contents

1	PURPOSE	3
2	SUSTAINABLE INFRASTRUCTURE DEFINED	3
3	ROLES AND RESPONSIBILITIES	4
4	MERIDIAN GROUP'S SUSTAINABILITY COMMITMENTS	6
4.1	Codes of conduct	6
4.2	Sustainability Policy	6
4.3	ESG performance	6
4.4	Material topics and impact management	6
4.5	Climate Action Plan and Half by 30	7
4.6	United Nations Sustainable Development Goals (UN SDGs)	7
4.7	United Nations Global Compact	7
4.8	Human Rights, including modern slavery	7
4.9	Meridian's Biodiversity and deforestation commitment	7
5	HOW TO APPLY THIS GUIDANCE	8
5.1	Materiality assessment	8
5.2	Sustainability framework – focus areas and key requirements	11
6	TRAINING AND SKILLS DEVELOPMENT	16
7	FUTURE OPTIONS	16
8	REFERENCE TOOLS AND MATERIALS	17
9	GLOSSARY	18

## Purpose

The purpose of this Sustainable infrastructure framework (**framework**) is to provide guidance for Meridian staff on how to apply sustainability practices on major infrastructure projects (e.g., development and construction of new renewable generation assets), which are consistent with Meridian’s Sustainability Policy and broader Group sustainability commitments.

The framework is focused on major infrastructure projects but provides relevant considerations for asset-based projects of any size whether development or maintenance focused. The guidance is intended to enable a consistent methodology to be applied across the Meridian Group, whilst providing flexibility for project specific tailoring by considering what is material to any project over the whole of life.

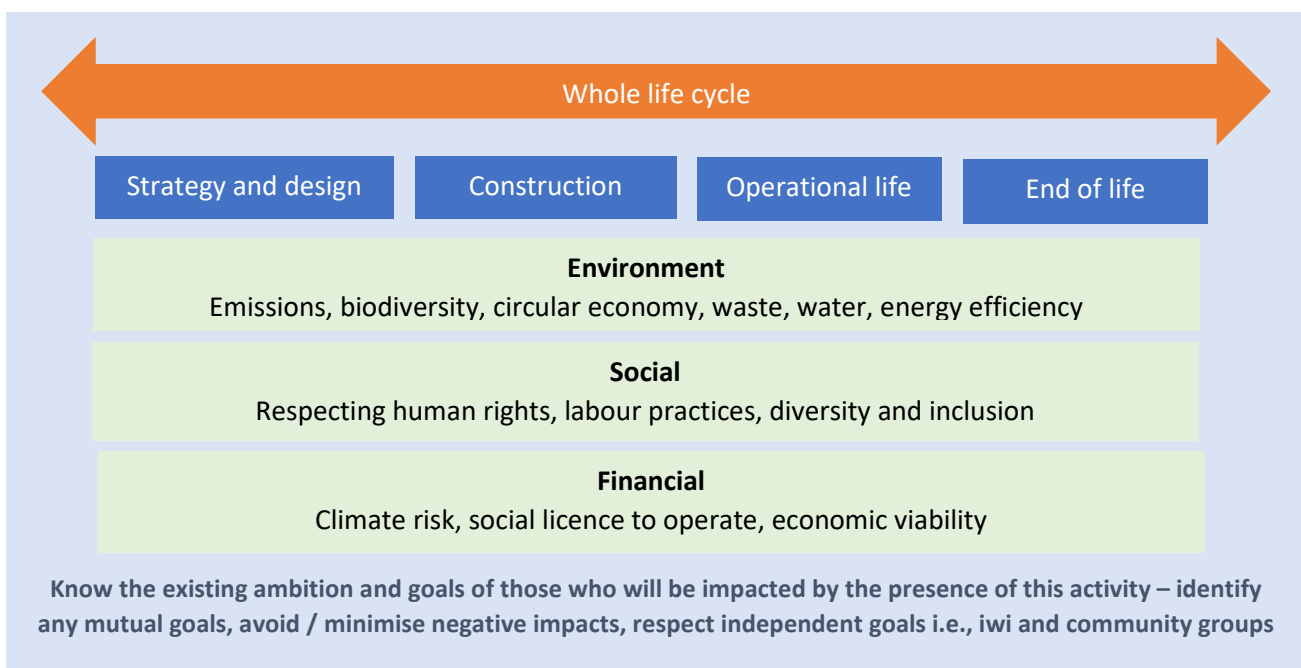
Meridian’s *Sustainability Policy* highlights the significant contribution to be made by Meridian as a renewable energy company where material decarbonisation across multiple sectors. Meridian has prepared this infrastructure specific guidance given the scale of Meridian’s decarbonisation commitments, including numerous large infrastructure projects, and to ensure Meridian embeds a holistic approach to sustainability.

This framework does not focus on compliance related requirements (which are a minimum standard) – rather guidance focus is provided on the embedding of Meridian’s additional voluntary commitments that enhance practical, positive sustainability outcomes.

## Sustainable infrastructure defined

*Sustainability at Meridian means* doing the right things today so our planet and people can survive and thrive. Applying sustainability to infrastructure development includes the adoption of a whole-of-lifecycle approach – the figure below illustrates this.

Generally speaking, the choices made at the strategy and design phase will have the biggest aggregate impact over the life of any asset. It is worth investing the time at the strategy and design phase to systematically identify the biggest opportunities relevant for each development.



## Roles and responsibilities

Meridian's **corporate centre Sustainability team** are accountable for:

- Developing Group-wide sustainability commitments and providing guidance to the business on what project-specific or business unit specific choices would be consistent, or not, with those.
- Providing advice to teams and/or business units on the project-specific application of this *framework*.
- The adoption of changes to, or any new Group-wide sustainability commitments e.g. Sustainability Policy updates, and Group-wide sustainability certification requirements etc.
- Meridian sustainability team are contactable at [sustainability@meridianenergy.co.nz](mailto:sustainability@meridianenergy.co.nz).

Meridian's **Kaihautu Māori** is accountable for:

- Developing Group-wide guidance to the business on te ao Māori, and engagement principals and advice to support business unit and project teams in respecting and engaging with iwi and hapu to understand their aspirations and objectives, in order to ensure Meridian staff adopt a consistent principle based approach.
- Kaihautu Māori is contactable at [andre.konia@meridianenergy.co.nz](mailto:andre.konia@meridianenergy.co.nz).

Meridian's **corporate centre Procurement team** are accountable for:

- The Group-wide procurement policy/principles/guidance and consultancy to the business to ensure all procurement activity is informed by our purpose and sustainability commitments, whilst managing risk and maximising the value we receive from our supplier engagements.
- Meridian's procurement team are contactable at [procurement@meridianenergy.co.nz](mailto:procurement@meridianenergy.co.nz).

Meridian's **financial control team** are accountable for:

- The preparation of Meridian Group Greenhouse Gas (GHG) inventory, which includes the compilation of emissions data from projects across the business.
- Meridian's emissions reporting team are contactable at [carbon@meridianenergy.co.nz](mailto:carbon@meridianenergy.co.nz).

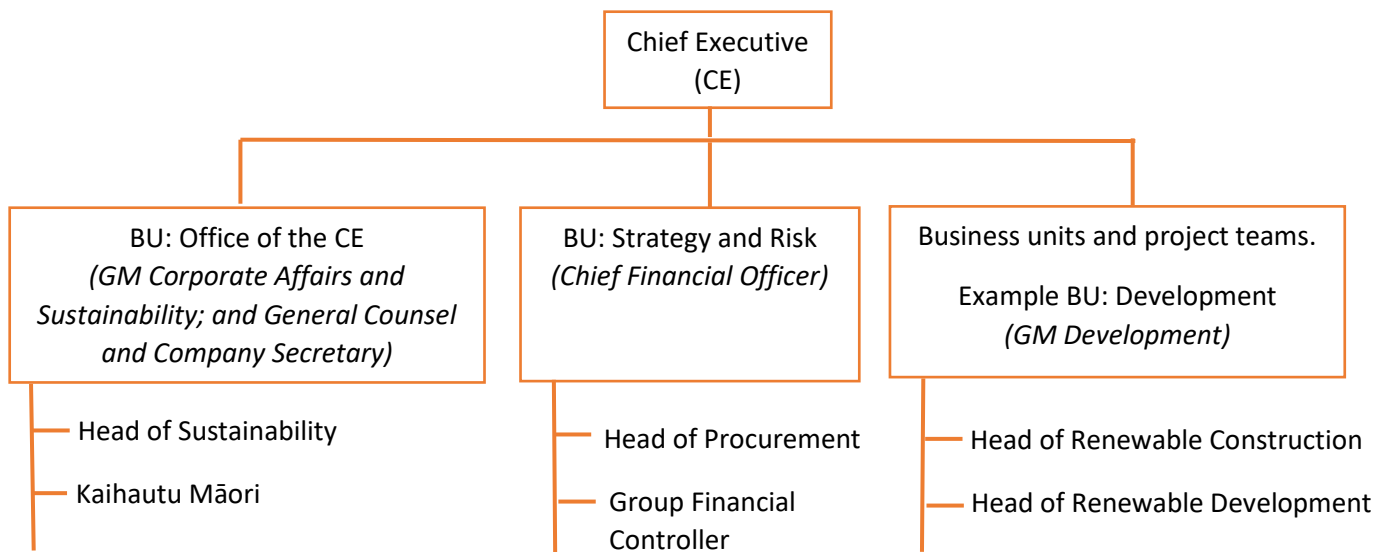
Meridian **project teams and business units** are accountable for:

- The practical application of this *framework* on a project-specific basis. For example, developing a project-specific Sustainability Management Plan (where appropriate) and setting associated KPIs such as managing emissions and waste consistent with Meridian Group's sustainability commitments.
- Behaving and making decisions consistent with Meridian's Code of Conduct and Sustainability Policy i.e., all staff take personal responsibility to apply sustainable practices in their sphere of influence – we are all in the waka together.
- The adoption and resourcing of any additional project-specific sustainability initiatives over and above those emphasised in the current version of this *framework*, in consultation with the corporate sustainability team i.e., project teams may wish to explore and adopt certifications such as Greenstar or an Infrastructure Sustainability Council (ISC) rating.

Meridian's **suppliers** are accountable for:

- Engaging with Meridian and providing goods and/or services in a way consistent with any defined project-specific requirements.
- Compliance with Meridian's Supplier Code of Conduct.

A Meridian organisational chart showing where the **responsibilities outlined above** lie across the business are illustrated in the figure below. To seek detailed visibility of other roles in these functional areas and incumbent representatives in these roles, please refer to Meridian’s internal intranet Electric Avenue (use search function to find an individual, then select “organisation” tab to see reporting lines).



## Meridian Group's sustainability commitments

Meridian's purpose of *Clean energy for a fairer and healthier world* anchors the focus that our business places on sustainability. Additional relevant Meridian Group sustainability commitments which have informed this infrastructure-focused framework are outlined below.

### Codes of conduct

Meridian's [Code of Conduct](#) emphasises how sustainability defines who we are at Meridian and highlights our aims such as: maintaining biodiversity, reducing waste and emissions in all activities across our business, being a climate action leader through the efficient and sustainable use of resources and contributing economically to the success of communities in which we operate.

[Meridian's Supplier Code of Conduct](#) recognises that who we work with and how they go about their business, treat their staff and manage their supply chain is our business and so outlines our expectations of suppliers in the areas of ethical business, social responsibility, health, safety, wellbeing and environment.

### Sustainability Policy

Meridian's [Sustainability Policy](#) provides the foundation to embed sustainability leadership across our business, guiding all associated choices and behaviours. Our Sustainability Policy outlines our holistic approach to sustainability – recognising the environmental, social and economic elements of sustainability and the balance required over time. Our sustainability policy formalises our commitment to making a meaningful contribution to the UN SDGs (see below) that are most relevant to our business and includes the importance we place on sustainability leadership, transparent disclosure, engaging with stakeholders consistent with our publicly available [Stakeholder Engagement Guidelines](#) and reporting and having a Governance structure in place to support these commitments.

### ESG performance

Meridian's ambition for global sustainability leadership evidenced by measured Environment, Social, Governance (ESG) performance via the S&P Global annual Corporate Sustainability Assessment (CSA). For context this CSA requires a substantial and broad set of commitments, with evidence of application, across an extensive set of underlying evaluation categories - examples of some infrastructure-specific categories include: supply chain management, operational eco-efficiency (energy and water consumption, emissions (SF6, NOx, Sox, dust, scope 3), non-hazardous waste and hazardous waste management), biodiversity, climate strategy, labour practices, human rights, health and safety.

### Material topics and impact management

Consistent with the Global Reporting Initiative (GRI) standards which Meridian adopts, is the requirement for Meridian to identify its material topics and impacts. An impact is the effect Meridian (or any organisation) has or could have on the economy, environment and people, including on their human rights. Meridian's material topics represent our most significant impacts and are publicly disclosed annually in our integrated Annual Report.

Important is our commitment, and the requirement to, have in place policies, commitments and actions to manage material topics and impacts including mitigation and remediation actions. Many of Meridian's impacts are relevant to this framework such as: increasing the supply of renewable energy, adverse effects of generation assets and activities on cultural values, disposal of waste and other emissions and impacts of supply chain / ethical sourcing. For a full list of Meridian's material impacts, refer to [Meridian's FY22 Annual Report](#) pages 108-9.

### Climate Action Plan and Half by 30

Meridian's commitment to deliver against our [Climate Action Plan](#) (CAP) and our Half by 30 gross operational emission reduction target (with underpinning scope 1+2, and scope 3 science-aligned targets). Our CAP highlights our commitment to proactively minimise emissions from **one off construction emissions**.

### United Nations Sustainable Development Goals (UN SDGs)

Meridian is committed to making a tangible contribution to the **United Nations Sustainable Development Goals (UN SDGs)** that are most relevant to our business context and stakeholders. These are outlined in our Sustainability Policy and were identified by assessing the underlying UN SDG targets against current initiatives and emerging focus areas that we believe we can most materially contribute to.

### United Nations Global Compact

Meridian joined the UNGC in 2022, a voluntary leadership platform for the development, implementation and disclosure of responsible business practices. As a participant, Meridian will continuously progress the alignment of our strategies and operations (including infrastructure development and maintenance) with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption and take action in support of UN goals and issues embodied in the SDGs.

### Human Rights, including modern slavery

Meridian is committed to respecting human rights and recognises human rights to be universal and inherent to us all regardless of nationality, sex or gender, national or ethnic origin, colour, religion, language, or any other status. Human rights include freedom from slavery, forced labour and child labour, the right to work and take part in cultural life, freedom of association, a safe and healthy work environment, freedom from discrimination and all other rights included in the International Bill of Human Rights. Given our unique place in the world, we also recognise indigenous rights of iwi which is consistent with the United Nations Declaration on the Rights of Indigenous Peoples and Te Tiriti o Waitangi.

Meridian is committed to assessing and mitigating the risk and impact of modern slavery through our business activities Meridian's Modern Slavery Framework (MSF) outlines how our business assesses, manages and seeks to continuously improve our response to modern slavery risks in our supply chain. Our framework has six elements: governance, risk assessment, embedding – due diligence, embedding – grievance and remediation, embedding – training, monitoring and reporting. Our MSF also ensures we meet the requirements under the Australian Modern Slavery Act 2018.

Meridian's commitments to respect human rights, including indigenous rights, and mitigate modern slavery risk, such as by completing due diligence, are relevant to our infrastructure development and maintenance activities.

### Meridian's Biodiversity and deforestation commitment

The multiple requirements Meridian Group must collectively meet and deliver against, to deliver against our commitments, ambitions and targets above, have been integrated into this infrastructure-focused *framework*. Of note, is the inclusion of commitment "no net deforestation" across Meridian's operations.

## How to apply this guidance

There are three key steps to ensure application of the framework to any project:



### Materiality assessment

It is recommended that a materiality assessment is completed to determine the most relevant sustainability areas of focus for a specific project. The principle behind this recognises that attention and resource can be prioritised on the most material impacts and project will or could have. For example, during the first year of construction of Meridian's Harapaki windfarm, the majority of construction emissions were caused by diesel use on site and materials (concrete). Context such as this can inform where mitigation focus is best placed on future comparable projects.

At its simplest level, a materiality assessment includes:

1. **Identifying** actual and potential impacts across a range of sustainability criteria (consider all stages of the lifecycle (strategy and design, construction, operational life, end of life))
2. **Assessing** the significance of impacts
3. **Prioritising** the most significant impacts for action

Meridian's sustainability team can provide support regarding the application of a materiality assessment for projects/teams on request.

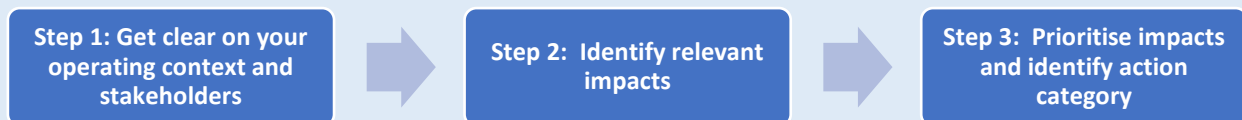


## How to undertake a materiality assessment

The materiality assessment process is a three-step guide to help you determine the sustainability areas (impacts) most relevant to your project and right size your level of ambition. It is designed to identify decisions that we make at the design stage of a project which can influence all stage of its life-cycle – through construction, operational life and end-of-life.

Depending on the size of your project it is designed to be completed in 1 hour, but more time can be taken for larger scale and more complex projects.

Use the [SIF Materiality Process steps.xlsx \(sharepoint.com\)](#) to help you complete the assessment.



### *Step 1: Get clear on your operating context and stakeholders*

This step helps you get clear on the ‘boundary’ of your project and what might be unique to it. This includes understanding the range of activities it will involve, relevant stakeholders and relationships who you control over or who have an interest in the project, and the degree of influence you have/their importance at this stage of the project. You will use this information to help identify the most relevant sustainability issues and impacts (eg. climate change, human rights, labour practices, product responsibility).

### **Suggested activity – 20 minutes**

1. Brainstorm the activities and relationships relevant to your project, using the prompts below. You should consider the whole-of-life cycle – from project design to end of life.

Activities	Relationships - Business, mana whenua, community and other stakeholders
What are the types of activities you will be carrying out?	What relationships will you have as part of this project? What types of relationships are they?
What types of products/services are being offered?	What type of activities will be undertaken through the relationship (e.g. manufacturing, security)?
What types of workers will be controlled/influenced by your activity? What work will they perform?	What are the geographic locations of those relationships/ activities? What sectors are they?
What kind of contractual relationships could exist?	

2. Highlight all activities or relationships (or elements of) you have the ability to influence at this strategy and design phase of the project. These are within the boundary of your project for the purposes of the materiality assessment. Take note of any activities or relationships that are not highlighted as they may be important considerations later in the project.

### *Step 2: Identify relevant impacts*

Impacts indicate how your project will contribute to sustainable development. Impacts can be actual or potential, negative or positive, short- or long-term, intended or unintended, and reversible or irreversible.

In this step you will identify your project’s impacts on the economy, environment, and people, including impacts on their human rights, across your project’s activities and relationships.

### ***Suggested activity (10 mins)***

Familiarise yourself with each of the social and environment impacts in the SIF Materiality Assessment Tool and rate their relative importance and relevance to you project. This first pass on impacts is more an art than science. It's designed to help you quickly identify which impacts warrant being taken through to the next step for a more thorough assessment and action planning.

Note: Any mandatory impact area must be carried through.

Tip: You may like to use the United Nations Global Compact 'cause-contribute-linked' continuum to help rate the impact (see assessment tool).

The impacts listed are a starting point, reflecting the key sustainability areas identified in the SIF and Meridian lessons to-date. Add additional impacts as needed.

Once you have rated the relative importance of each. Discuss and agree the cut-off point (threshold) for taking impacts through to the next step. It may not be feasible to address all impacts at once.

### ***Step 3: Assess the significance of the impacts and action category to address***

In this step you will assess the significance of the identified impacts and identify the broad action category/ies for how you will mitigate the impact (for negative impacts) or enhance them (for positive impacts).

### ***Suggested activity (20 mins)***

Significance is assessed against two criterion – severity and likelihood. Weightings are used to determine a total score for each impact. The score helps indicate relative priority, and thereby inform how and how 'elevated' your treatment to mitigate/enhance that impact through action should be. It can also be used as a benchmark to monitor progress (for this project, or across multiple Meridian projects).

The **SEVERITY** of an actual or potential negative impact is determined by:

- Scale: how serious the impact is
- Scope: how widespread the impact is, for example, the number of individuals affected or the extent of the environmental damage.<sup>1</sup>

The **LIKELIHOOD** is the chance of the impact happening.

You can involve relevant decision-makers, or other stakeholders in this assessment – or it could be just you and or your immediate team.

The **ACTION CATEGORIES** include:

- Due diligence questions – ensure you ask potential suppliers to provide information in relation to this impact as part of your procurement due diligence processes (eg. RFP, RFI, ROI)
- Set KPI/targets/metrics – it is important to monitor change over time in the project performance against this impact.
- Design consideration – you will be explicit about how this impact will be addressed in the design phase.
- Collaborative conversations – to manage this impact you will need to work alongside key stakeholders or interested parties, such as mana whenua, community groups, other partnerships

---

<sup>1</sup> Adapted from GRI 3 - note for purpose of simplicity have not included score of 'irremediable character: how hard it is to counteract or make good the resulting harm'

## Sustainability framework – focus areas and key requirements

The underlying requirements that comprise Meridian’s Sustainable Infrastructure Framework (SIF) are outlined below to ensure key sustainability actions are captured for each project.

Note – compliance requirements (legal or consent based) are taken as a compulsory minimum standard and NOT outlined below. The Meridian requirements outlined below largely represent Meridian’s additional *voluntary* commitments - informed by Meridian Group’s sustainability commitments (see above).

**Emissions** – this includes embodied emissions, which are those from the manufacture and supply of materials (i.e., concrete, steel etc) and services during construction, and emissions ‘designed in’ but occur during the operational life of an asset (i.e., diesel generators, transport movements from maintenance activities, SF6 leakages etc).

**Mandatory emissions reporting** – all projects must measure GHG emissions and report to [carbon@meridianenergy.co.nz](mailto:carbon@meridianenergy.co.nz). Best practice and preferred reporting frequency is monthly – particularly for large development projects (such as during construction of a wind farm), an acceptable cadence for lower GHG emitting projects is quarterly (i.e., during commercial scale solar construction), and the absolute minimum frequency is annually.

**Mandatory emissions KPIs during construction phase** – all major projects must set KPIs that meaningfully incentivise the minimisation of gross emissions during construction. Specifically identify opportunities to reduce embodied emissions – either reduce quantity of a material needed in the first place, check material choice has the low embodied carbon whilst still meeting the task need.

**Mandatory emissions impact assessment (for construction and operational emissions)** – all major projects must seek to minimise (1) construction emissions (i.e., innovate to avoid high emission materials/activities such as concrete and diesel consumption, and (2) the impact on Meridian’s ongoing operational emissions (assets in-service life) to ensure we remain on a path to achieve our commitment to half our operational emissions by 2030 – think SF6, intended subleasing of land (i.e., livestock), back-up generators and the energy source, embedding infrastructure to support EV transport etc.

**Recommended dust emissions impact assessment** – it is recommended that the potential impact of dust emissions is understood at the materiality assessment stage, in order to determine if project-specific metrics/KPIs and actions are required. In some cases, consent requirements may stipulate. In others, Meridian may wish to take additional measures beyond compliance to mitigate community impacts - for example is a construction site near a township. An air quality monitor could be used for particulates, providing a recordable amount of dust emissions. Dust suppressant could be utilised to mitigate impacts.

**Recommended consideration of other emissions – NOx, SOx, Ash and Gypsum waste, Direct Mercury** – assess if these emissions sources are likely to be relevant to the project and if mitigation action is required (NOx/SOx relevant to fleets / fossil fuel combustion and ash/gypsum/direct mercury linked to coal combustion).

**Energy efficiency** – any opportunity to minimise energy consumption and deliver useful services with less energy should be adopted. Particularly as an electricity generator, Meridian wishes to demonstrate leadership and walk the talk on energy efficiency.

**Recommended energy efficiency measures** – it is recommended that the potential impact / benefits from energy efficiency opportunities is understood at the materiality assessment stage, in order to determine if project-specific metrics/KPIs and actions are required.

**Water** - any opportunity to minimise water consumption, and also ensure water quality is preserved, is to be strongly encouraged.

**Mandatory water quality measures** – all major projects must ensure Meridian does not have a direct or indirect detrimental impact on water quality. Largely, this is typically addressed through compliance requirements but Meridian could also choose to adopt voluntary options to enhance water quality through the offset or restoration of wetlands at a project location or region, for example.

**Optional water consumption measures** – it is recommended that at the materiality assessment stage, opportunities to minimise water consumption are retained in order to determine if project-specific metrics/KPIs and actions are required. For example, regulations may focus on water take requirements and discharge, but not on how water is used on a site. Project teams could consider roof offtake options from rain water for example.

**Efficient resource use and waste** – seek to optimise the use of resources and avoid unnecessary overconsumption, or the creation of waste. Meridian’s ambition is for zero waste when its operational assets and key items and materials reach end-of-life (solar panels, batteries, turbines, concrete, metals etc).

**Mandatory resource use optimisation assessment** – all major projects must estimate, identify and implement initiatives to ensure the sustainable use of resources and minimise waste – following the avoid, reduce, reuse, recycle hierarchy. This could include: reducing the quantity of material required in the first instance, identifying second-life solutions for goods and materials etc.

**Mandatory recycling and waste reduction management on site** - all major projects must have recycling services provided and the integrity of materials optimised by best practice separate at source stations. Wherever practical, second life solutions to materials will be put in place. Steps must be taken to prevent the unnecessary inclusion of waste in the procurement of goods and services (i.e., packaging / wrapping). Reporting on waste management is mandatory.

**Mandatory hazardous waste management** – all major projects must measure and report on hazardous waste management (mitigating actions to minimise at the outset, hazardous waste types, quantities and how it was appropriately treated / disposed).

**Highly recommended end-of-life management** – all major projects must capture accountabilities for the end of life management of key project-specific items / materials (i.e., solar panels, batteries, wind turbine components etc). Meridian will ensure proactive commitment is made to assess viable options early to ensure planning is in place to contribute to the creation of new end of life solutions if required – equally, Meridian expects suppliers to take responsibility for the materials and goods they supply. For example, and where project-relevant, supplier agreements for solar panels and batteries should include a requirement for that supplier to provide an end of life solution / offer to Meridian (it may be that Meridian finds an alternate / better solution – but ensuring an option and accountability is placed with the relevant supplier is important, incentivising support for supplier product stewardship schemes).

**Biodiversity** - ensure the project applies Meridian’s Biodiversity and deforestation commitments (see references section).

**Mandatory (where relevant) afforestation assessment** – for all major projects – where any deforestation will occur (for example, a development activity requiring land use change or the clearing of flora), ensure deforestation measurement is completed and share with

[sustainability@meridianenergy.co.nz](mailto:sustainability@meridianenergy.co.nz), noting species<sup>2</sup> impacted. Based on Meridian's net company deforestation position for the subject financial year, formally assess options for a voluntary netting-off afforestation project to ensure the Group commitment of "no net deforestation" is maintained. Note that Meridian's Forever Forests carbon sink programme achieves an afforestation co-benefit that can contribute to Meridian's no net deforestation position. Any decision and voluntary netting-off afforestation investment beyond the option assessment phase will be brought to the attention of the relevant Executive Sponsor.

**Climate risk and adaptation** - Meridian is committed to ensuring we assess and manage climate-related risks and opportunities, consistent with our voluntary commitment to do this adopting the voluntary global framework development by the Task Force for Climate-related Financial Disclosures (TCFD). Meridian is actively aligning our practices to new mandatory requirements under the Aotearoa New Zealand Climate Standards (issued Dec 2022). Meridian's Group Risk Policy was updated in 2023 to account for climate risk more explicitly and an active change-programme is underway to embed new risk assessment processes in the business.

**Highly recommended climate impact assessment** – for any major acquisition or development, it is highly recommended Project teams consult with Meridian's strategy modelling, Risk and Sustainability teams in order to determine apply the most current due diligence actions to take that will be consistent with increasing requirements for climate risk assessment, including understanding potential adaptation actions. Meridian's climate-related issues change programme is underway and spotlights the use of 3 climate scenarios as far as 2100 to understand potential exposure to the physical impacts of climate change due to hazards such as extreme rainfall, drought, sea level, storms, temperature etc.

**Land use** – Beyond biodiversity and water considerations already outlined, other land use factors to consider include things such as soil health and climate resilience (options to improve flooding and erosion resistance). Broader land use considerations relevant to the project site/region are encouraged to be identified and included in the materiality assessment per guidance above.

**Human Rights (including Modern slavery)** - Meridian is committed to respecting human rights and we have specific requirement to assess and complete due diligence on modern slavery risks, consistent with our Modern Slavery Framework (MSF). Meridian commenced a first every Human Rights risk assessment in 2023, this framework may be updated as this risk assessment advances and our most salient human rights issues are identified (to prioritise first action on).

**Mandatory modern slavery due diligence** – Project teams must consult with [Meridian's Modern Slavery quick reference guide](#) to ensure due diligence is completed consistent with Meridian MSF. If there is any uncertainty on requirements, project teams should contact Meridian's procurement or sustainability teams.

**Diversity and inclusion** - Meridian's Belonging Policy emphasises that building a diverse and inclusive workplace culture will result in enhanced relationships, better customer service and improved financial performance. Equally, to support capability development and attract and retain talent – it is important to Meridian to take active steps to increase our diversity and ensure we maintain an inclusive culture. We believe it is important to share this commitment with our suppliers, as we recognise an extension of this commitment, with our supply chain partners, would also add value.

---

<sup>2</sup> Excluded from the boundary of Meridian's 'no net deforestation' commitment are Wilding Conifers, which are considered a tree weed.

**Ethical sourcing** - it is very important to Meridian to operate our business in an ethical way, this includes ensuring those we work with, such as our suppliers, also conduct themselves ethically.

**Mandatory code of conduct requirements** – ensure all major projects include the requirement for suppliers to meet our Supplier Code of Conduct (which includes requirements on ethical standards). Furthermore, consistent with Meridian’s Code of Conduct – ensure our ethical standard requirements are met.

**Local economy, mana whenua and communities** - Meridian is committed to supporting communities and creating opportunities for those where we operate.

**Mandatory local community benefit required** – all major projects must identify tangible measures that can be adopted at the project level to meaningfully contribute to local communities. It is recommended at the materiality assessment stage, the scope of this be determined. A local employment metric should be considered by project teams. **Iwi and hapu** - Meridian recognises that our infrastructure activities impact mana whenua, who have been kaitiaki of an area for an enduring time. The knowledge, values and aspirations of mana whenua are incredibly important to know, and respect, having unique and deep knowledge of a local environment.

**Mandatory mana whenua due diligence:** all major infrastructure development project teams shall ensure:

(1) time is taken to know any prior Meridian conversations with the relevant local iwi / hapu;

(2) research local iwi/hapu objectives and aspirations including through publicly available information (i.e., environmental values and principles) and by korero (prior to any korero, ensure the right local leaders are engaged with, Meridian’s Kaihautu Māori can advise/support);

(3) A Cultural Impact Assessment (CIA) is completed; as part of the cultural impact assessment if not included a timeline of local history, key events, occupation and interests of neighbouring Iwi and hapu to build a foundation of contact points for future engagements.

**Mandatory project consideration on the adoption of localised mana whenua values and principles** – insights from mana whenua due diligence to be applied to demonstrate Meridian’s commitment to upholding local values and principles i.e., could inform local economy objectives or voluntary biodiversity initiatives etc.

**Mandatory priority on enduring engagement with mana whenua** – recognising the ‘milestone’ based nature of infrastructure projects and the changing points of contact that can occur within Meridian as a project transitions (i.e., from development to construction to operation), it is important to ensure there is seamless communication with mana whenua throughout these changes. Meridian can also commit to initiatives to build long term partnerships past the build end date by embedding enduring actions that honour the significance of local knowledge and practices such as annual pilgrimage / hiko to sites of significance i.e., Harapaki for matariki etc. Meridian has opportunity to further extend the opportunities past the intent of the relationships for mutual benefit cadetships, internships and building a future workforce for both parties.

**Documentation, reporting and audits** - All major projects at Meridian should have a Sustainability Management Plan (SMP) in place. An SMP template that can be adapted for a specific project is provided in [Appendix A](#) – some content embedded from a recent Meridian project has been retained for the purposes of providing practical examples of how metrics and focus areas have been described and sought to be measured.

Of note in the SMP template are key items such as: Greenhouse Gas (GHG) measurement and reporting requirements, regular audits, having assigned accountabilities for sustainability at the

project level, a focused but balanced set of focus areas – for example, this could be on emissions, water management, waste, enabling outcomes important to local mana whenua etc.

Project team members and contractors are required to be familiar and compliant with the contents of Project-level SMPs and to be particularly aware of the content that relates to their responsibilities.

**Mandatory SMPs for larger projects** – All major Development projects require a Meridian SMP and all main suppliers are required to produce a scope specific SMP for approval by Meridian before project work begins.

**Cross-cutting project sustainability requirements** – evaluate the merit of adopting the following initiatives into project requirements – these initiatives being a representation of those which have had success on other Meridian infrastructure-specific projects.

- Ensure Suppliers can align their practices and provision of goods and services with Meridian's Supplier Code of Conduct
- Include questions in your Request for Proposals/Requests for Information etc relevant to your sustainability impacts. This will give you confidence you're asking for the right sustainability information from suppliers.
- Quarterly sustainability forums with Meridian staff and suppliers.
- Requirement to regularly (monthly or quarterly) profile sustainability initiatives implemented with benefits and lessons shared (profiled within and external to Meridian)
- Ensure any sustainability KPIs are useful, sufficiently diverse, and meaningful and quantifiable for the project. Consider if the KPI would be relevant to comparable projects to evidence project-on-project improvements.
- Adding a requirement for Meridian project leads to talk through any Sustainability Management Plan with those required to execute on it i.e., not a document that is filed and forgotten.
- Requiring the provision of Environmental Product Declarations (EPD) where available (or encouraging suppliers to develop these for future provision). An EPD provides visibility of the specific impacts for a product or material and can be an evidence based means of enabling comparison between options under assessment.
- Completing a project Life Cycle Assessment (LCA). An LCA, completed against a recognised standard, will ensure Meridian has a sound evidence base to disclose the life cycle impact of a specific project. It can also serve as a useful tool to identify opportunities for future comparable projects to minimise any negative impacts. Meridian may for example, choose to complete an LCA on an entire wind farm development, or substation, to substantiate any claims of achieved emission reductions.

## Training and skills development

Meridian will make training available to staff to support with the understanding of core concepts and practices and ensure effective application of this framework. Training currently available includes:

- Meridian Sustainable Procurement e-learning module – available to Meridian staff on Electric Avenue
- Specialist training by external providers can be sought for specific roles in Meridian, or to support personal development, including on topics: carbon accounting, Global Reporting Initiative (GRI) standards, Life Cycle Analysis etc. Please contact Meridian’s sustainability team for more information.
- Ongoing professional development webinars through Meridian’s memberships including by providers:
  - Sustainable Business Council,
  - Sustainable Business Network
  - United Nations Global Compact
  - Science Based Targets initiative

Please contact Meridian’s sustainability team for information on how to access these webinars / professional development courses.

## Future options

This Framework is subject to review at least every two years to ensure it remains aligned with latest requirements, captures feedback from users, and lessons learned from infrastructure projects continue to be captured. To provide visibility of some of the potential new future options under consideration now, which may be embedded in this framework in the future, please refer to the following:

- Climate risk assessment and adaptation plans
- Human rights due diligence
- Embodied emissions assessments
- Specific guidance on certification schemes such as those from the Infrastructure Sustainability Council (ISC)
- Biodiversity initiatives
- Alignment with Circular Economy Framework (in draft)
- Broader land use considerations



## Reference tools and materials

### **Meridian**

[Meridian's Sustainability Policy](#) (public)

[Meridian Code of Conduct](#) (public)

[Meridian Supplier Code of Conduct](#) (public)

[Meridian Modern Slavery Statement](#) (public)

[Meridian Biodiversity and Deforestation Commitment](#) (public)

[Meridian Belonging Policy](#) (public)

Modern Slavery Framework and quick reference guide for due diligence (Meridian intranet – Electric Avenue)

Meridian Sustainable Procurement Hub (Meridian intranet – Electric Avenue), including:

Meridian's emissions recording template (excel for sharing with supplier – Electric Avenue)

Example RFI and RFP sustainability questions for suppliers

[Coming soon – Meridian's Circular Economy Framework]

[Coming soon – Meridian Human Rights Framework]

### **External references**

[Infrastructure Sustainability Council](#)

[Life Cycle Association of New Zealand resources](#)

[Green Star](#) (Building standard)

[Living Standard](#) (Building standard)

[Australasia Environmental Product Declarations](#)

[Sustainable Business Network \(SBN\) Circular Economy Directory](#)

## Glossary

**Adaptation** is the process of adjusting to an actual or expected climate in order to moderate harm or exploit opportunities. Adaptation actions can include structural, institutional, ecological or behavioural options.

**Adaptive capacity** is the ability of systems, organisations, humans and other organisms to adjust to change.

**Audit** is a systematic, independent and documented process for obtaining objective evidence and evaluation the extent to which audit criteria are met.

**Certification** is a procedure by which a third party or 'certifier' gives written assurance that a product or service conforms with certain standards. For example Green Star certification ratings for buildings.

**Circular economy** refers to a model of the production and consumption of goods which prioritises keeping resources in use for as long as possible – so extract maximum value whilst in use, then recover and regenerate other products and materials at the end of each service life. So rather than 'make, use, dispose', the focus is to ensure products can last and be easily repurposed.

**Climate-related risks** refers to the transitional and physical impacts of climate change. Transitional risk can be driven by regulation or changes in customer preferences for example which are motivated by climate issues. Physical climate-related risk relates to acute or chronic climate impacts where chronic can be changes to seasonal patterns or long-term trends (such as average precipitation, temperature etc) and acute relates to risks from the increasing frequency or intensity of one-off events such as storm and flooding events.

**Climate-related opportunities** recognises that climate-related impacts can also represent opportunities (not purely risks) – at the same time as evaluating risks from the drivers outlined above, consider the opportunities which could also arise. For example, increased demand for renewable energy.

**Embodied emissions** are those emissions that goes into producing a good. For example, the heat required to produce cement to manufacture concrete is currently often provided by burning coal, the most carbon intensive fossil fuel.

**Energy efficiency** is a ratio of output or useful energy or energy services or other useful physical outputs obtained from a system, conversion process, transmission or storage activity to the input of energy.

**Life Cycle Analysis** is an analytical process for the systematic and quantitative evaluation of the environmental impacts of a product or service.

**Modern slavery** is a term to describe situations where coercion, threats or deception are used to exploit victims and undermine or deprive them of their freedom. For example a worker cannot refuse or case work, or is deprived on personal freedom because of coercion, threats or deception.