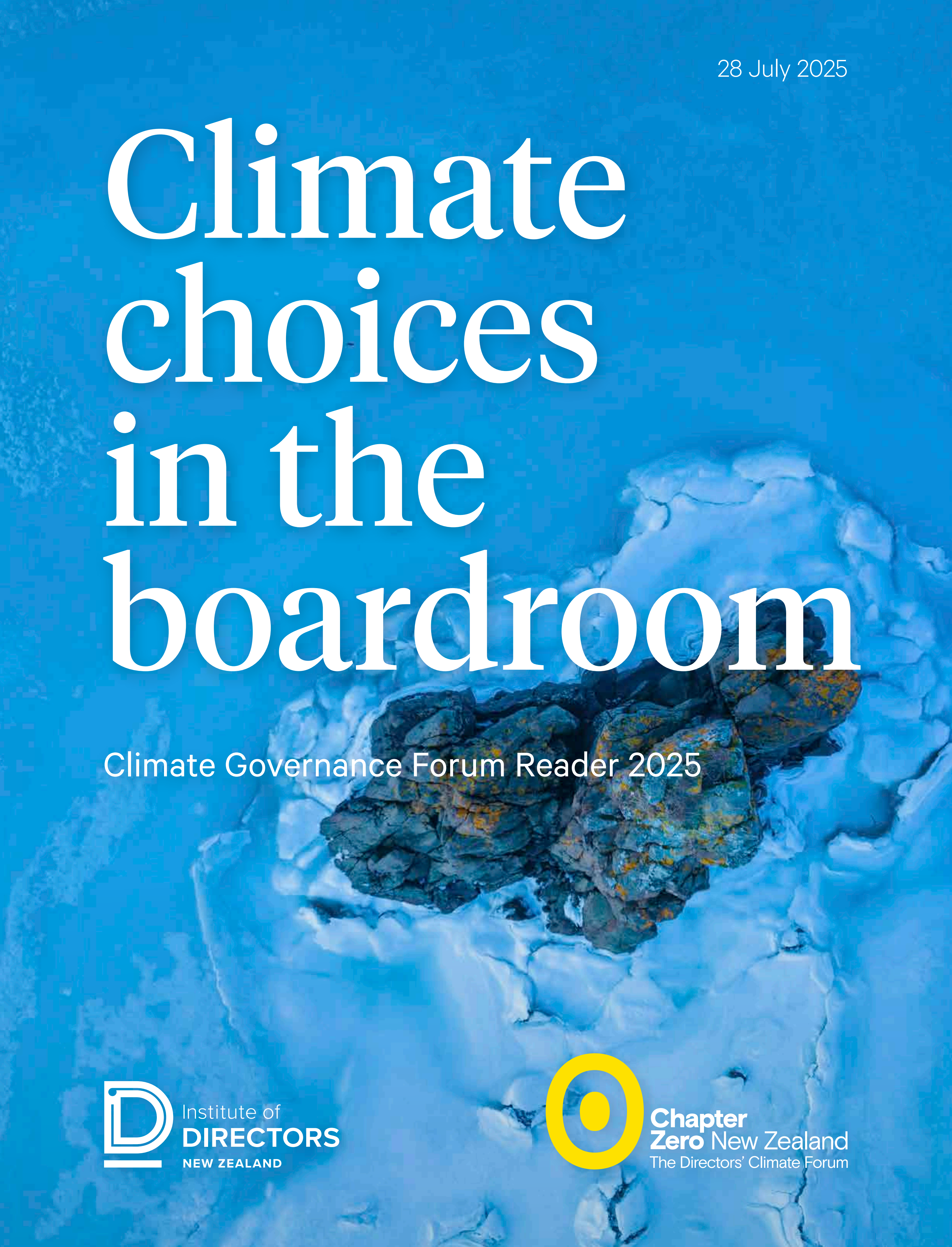
28 July 2025

Climate choices in the boardroom

Climate Governance Forum Reader 2025



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INTRODUCTION

We are no longer in a position to question whether climate change belongs on the board agenda – that moment has passed. The pressing question now is how effectively we, as directors, are leading our organisations in response.

Climate change is not only a defining challenge, but also a significant opportunity. Boards have a critical role to play in ensuring that the organisations we govern are resilient, future-focused and contributing meaningfully to the transition to a low-emissions economy. This responsibility extends beyond compliance and risk management; it encompasses rethinking strategy, investment, supply chains, culture and capability through a climate lens.

The economic consequences of inaction on climate change are no longer speculative. They are measurable, material and mounting. The New Zealand Treasury's *Climate Economic and Fiscal Assessment* warns that climate-related shocks – including storms, floods, droughts and sea-level rise – are likely to reduce GDP, increase volatility and create sustained pressure on public finances. These impacts are not distant risks. They are already disrupting communities, damaging infrastructure, and eroding business continuity across regions and sectors.

The Climate Change Commission reinforces this message: the longer we delay meaningful emissions reductions, the steeper the costs and the harder the transition becomes. Inaction compounds financial, reputational and operational risks, and limits the future choices of both organisations and the nation. Conversely, early, decisive action enables better capital allocation, strategic resilience and access to emerging markets that are increasingly shaped by climate standards.

For directors, this is not just an environmental concern – it is a fiduciary, strategic and competitive imperative. The cost of inaction is rising. The opportunity cost of waiting may be even greater.

This year's Climate Governance Forum focuses on the leadership challenge of navigating growing disruption and uncertainty, while staying focused on long-term value creation. How do we move from conversation to execution – from knowing we need to act, to acting with intent?

This reader shares insights from a wide range of contributors who are doing just that. It highlights directors and organisations leading from the front, embedding climate into decision-making, building capability, strengthening culture and aligning governance with the realities of a rapidly changing world. It also addresses the complexities of disclosure, the pressures of performance under scrutiny, and the tension between short-term demands and long-term goals.

At the Institute of Directors, we are committed to supporting boards through this transition. Through Chapter Zero New Zealand – the local chapter of the global Climate Governance Initiative – we offer resources, events, and peer-to-peer learning designed to build confidence and lift governance capability. Our aim is to create space for directors to challenge, learn and lead together.

Thank you for being part of this journey. Whether you are well advanced or just starting to explore how climate affects governance, I encourage you to use this reader to reflect, to question and to push for progress. Climate change is not just a challenge to manage, it is a leadership opportunity to seize.

Let's lead it well.

Kirsten (KP) Patterson
CE, Institute of Directors

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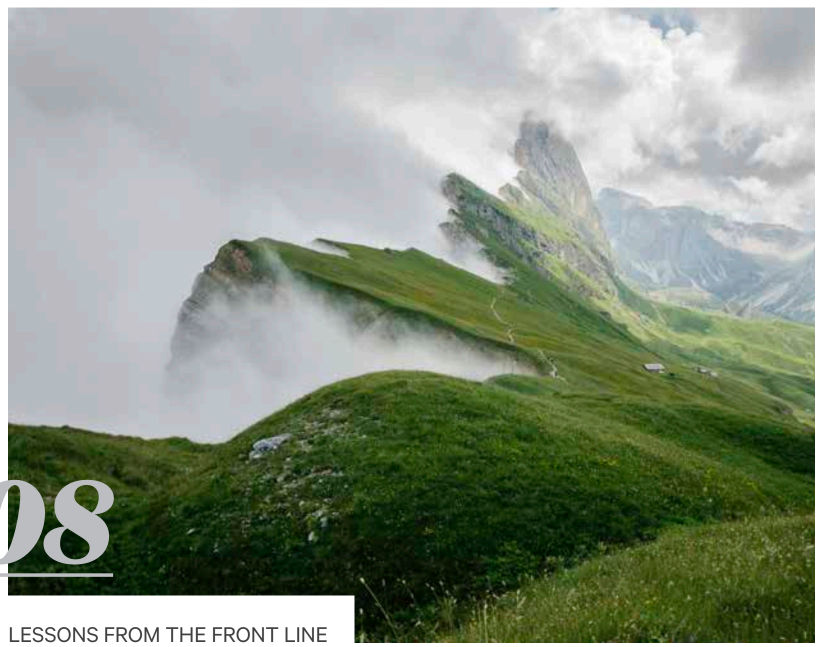
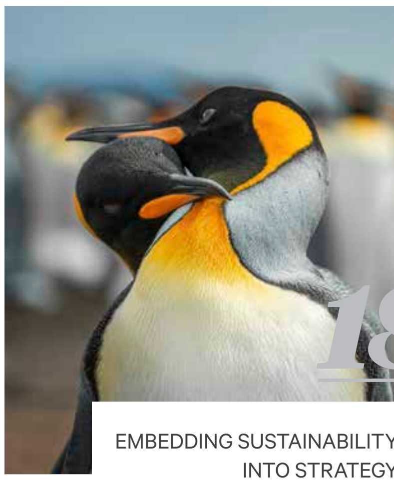


LEADING IN THE AGE OF DISRUPTION

EMBEDDING SUSTAINABILITY INTO STRATEGY



CLIMATE IN THE BOARDROOM

Climate as a competitive edge

Photo by:
Kevin Charit on Unsplash

Climate considerations are rapidly becoming central to business competitiveness. As global markets shift, sustainability performance is influencing access to capital, consumer trust, supply chains and trade. For directors, this means moving beyond risk mitigation to actively positioning their organisations for strategic advantage in a low-emissions economy.

This section explores how climate governance, when embedded into strategy, innovation and operations, can unlock long-term value, drive resilience and differentiate businesses in a world that increasingly rewards climate leadership. The question is no longer whether to act, but how to lead.

CLIMATE AS A COMPETITIVE EDGE

AUTHOR:
Guy Beatson CMInstD, General Manager, and Susan Cuthbert MInstD, Principal Advisor – Governance Leadership Centre – December 2024

Using climate action as a competitive edge is no longer a future ambition, it is a current boardroom imperative. As global expectations around emissions, transparency and sustainability intensify, climate strategy is emerging as a lever for market advantage, not just regulatory compliance.

Boards that embed climate thinking into strategic and operational decisions are better placed to access capital, attract customers and talent, and stay ahead of emerging requirements. With New Zealand's mandatory climate-related disclosures now in effect – and international frameworks such as the International Sustainability Standards Board (ISSB) and the European Union's Carbon Border Adjustment Mechanism (CBAM) setting new global standards – climate data is becoming a critical enabler of decision-making and long-term value creation.

Directors who move beyond box-ticking are discovering real opportunities: verified climate data can build trust, position companies in premium markets and strengthen stakeholder relationships. Strategic investments in low-emissions technologies or nature-based solutions can drive both emissions reduction and operational efficiency.

Whether through regenerative practices, decarbonisation, or enhanced climate disclosure, early adopters are positioning themselves to lead rather than lag. The most effective boards are no longer asking if climate should be on the agenda, they are focused on how to make it a differentiator. In a world where sustainability is shaping market access, cost structures and brand equity, climate governance is fast becoming a driver of resilience, innovation and growth.

Read the full article here.

ACCELERATING BUSINESS INVESTMENT FOR A COMPETITIVE FUTURE

AUTHOR:
Judene Edgar CMInstD, Principal Governance Advisor and Chapter Zero NZ Lead – January 2025

Climate-driven disruption is reshaping business investment priorities. Accelerating both mitigation and adaptation is no longer just about risk management, it is essential for maintaining competitiveness, unlocking innovation and building long-term value. Physical risks, such as sea-level rise, extreme weather and supply chain disruption, are intensifying, while regulatory change and shifting stakeholder expectations are increasing pressure to act.

Despite this, fewer than half of directors report being fully engaged in climate investment decisions. Many boards face short-term financial constraints and challenges in quantifying returns on climate-related initiatives. Yet the cost of inaction is rising, and the opportunity cost of delay may be even greater.

New Zealand businesses are well placed to respond. With growing demand for low-emissions products, sustainable agriculture and renewable energy solutions, there is significant potential to lead in emerging green markets. Unlocking that potential requires boardroom leadership – setting direction, allocating capital to climate priorities, and fostering innovation across supply chains and sectors.

Embedding climate into governance means more than oversight. It demands strategic investment choices today to ensure resilience, relevance and advantage tomorrow. Boards that lead this transition will not only safeguard their organisations but position them to thrive in a low-emissions economy.

Read the full article here.

CLIMATE AS A BRAND HYGIENE FACTOR

AUTHOR:
Sarah Ottrey CFInstD, Director
– January 2025

Climate responsibility is no longer a differentiator – it's a baseline expectation. Sarah Ottrey CFInstD, an experienced director and brand strategist, argues that boards must now treat sustainability as a core component of doing business, not a bolt-on. In today's market, climate care has become a brand "hygiene factor" – a minimum requirement to earn trust, rather than a point of distinction. True competitive advantage lies in backing up sustainability claims with measurable outcomes and transparency, not marketing slogans.

Consumer research shows most people feel the effects of climate change and are willing to pay more for sustainable options, though a gap remains between intention and action. The challenge for boards is to navigate this complexity, ensuring their organisations are both authentic and ambitious in their climate commitments, while recognising the commercial payoff may be long-term.

Ottrey reinforces that sustainability should be treated like quality or performance, fundamental to brand integrity, not a promotional tool. Boards must ensure climate is embedded across strategy, supply chains and communications, with oversight of data and reporting to support accountability.

In doing so, organisations can build trust, maintain relevance, and strengthen resilience in a world where stakeholders are increasingly alert to both action and authenticity.

Read the full article here.

THE CHANGING LANDSCAPE OF CLIMATE REGULATION AND LITIGATION

AUTHOR:
Judene Edgar CMInstD, Principal Governance Advisor and Chapter Zero NZ Lead
– March 2025

The regulatory and legal landscape around climate change is shifting rapidly, creating both uncertainty and strategic opportunity for boards. While some jurisdictions are retreating from mandatory disclosure rules, others are pressing forward with stringent requirements, particularly in key export markets.

This dynamic environment is prompting boards to rethink how they approach climate risk. Rather than viewing compliance as the end goal, climate governance is increasingly seen as a platform for differentiation and long-term value creation. Proactively disclosing emissions, setting science-aligned targets, and investing in credible verification can open doors to premium markets and secure partnerships with high-value customers.

Climate action is also becoming a prerequisite for retaining access to international markets, as regulations like carbon border adjustments expand into sectors such as agriculture and manufacturing. Directors who treat climate as a core governance priority, integrated into business strategy, investment planning and stakeholder engagement, position their organisations to meet rising expectations while capturing commercial advantages.

Boards that embrace transparency, credibility and innovation in their climate strategies are more likely to turn regulatory risk into opportunity and enhance long-term competitiveness.

Read the full article and view the webinar here.

Lessons from the front line

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Jerry Kavan on Unsplash

It is in the doing where climate governance comes alive. This section shares lessons from directors and organisations navigating real-world challenges – from decarbonising operations and collaborating across supply chains to tackling climate reporting and steering bold transitions.

From logistics to infrastructure, these stories show how boards are embedding climate into strategy, culture and everyday decision-making. They highlight the complex, practical and often collaborative work of progress, where assumptions are tested, capability is built and impact is measured. For directors seeking to lead with credibility, these examples offer a roadmap because the most valuable lessons in climate governance are often learned on the ground.

LESSONS FROM THE FRONT LINE

AUTHOR:
Chapter Zero NZ and KPMG
– October 2024

Lessons from the Front Line distils insights from directors and preparers involved in the first year of mandatory climate reporting under the Aotearoa New Zealand Climate Standards. Grounded in real-world experiences, the guide shares forward-looking lessons for all directors navigating the evolving climate disclosure landscape.

It highlights challenges faced by early reporters, including considerable time and resource demands, uncertainty around emerging expectations and the tendency to "greenhush" to avoid legal exposure. Yet, it also reveals valuable gains, such as strengthened board engagement, clearer governance roles and a growing organisational shift toward strategic climate integration.

The guide encourages directors to view climate reporting as a catalyst for long-term value and resilience, not simply a compliance burden. Key recommendations include starting early, building board climate literacy, embedding climate risks and opportunities into existing governance and risk frameworks, and fostering cross-organisational collaboration.

As transitional reporting reliefs begin to fall away, the guide reinforces the importance of proactive oversight and preparedness. Its message to directors is clear: meaningful climate reporting is not just about getting the numbers right – it is about setting the tone for credible, resilient and forward-thinking governance in a low-emissions future.

Download the resource here.

KPMG

PHOENIX ACHIEVES MEASURABLE, STRUCTURED EMISSIONS REDUCTIONS

AUTHOR:
Noel Prentice, Institute of Directors
– February 2025

Phoenix Recycling Group has demonstrated how structured, board-led emissions reduction strategies can deliver tangible results. Despite operating diesel fleets and global shipping, Phoenix's fourth year of voluntary carbon reporting with Toitū Envirocare revealed notable gains: a 25% increase in recycled volume with only a 2% rise in diesel use, and a 7% drop in third party transport kilometres, achieved by exporting from more regional ports.

Chair Grant Graham CMInstD credits this progress to a deliberate shift: the board embedded sustainability into core strategy, mapping operations across the supply chain and owning emissions levers, one asset at a time. This bottom up approach provided clear baseline comparisons between FY23 and FY24, enabling data driven assessment of which decisions worked and which require more time.

Phoenix's experience highlights the importance of ESG integration at the board level. Graham emphasises that transparency in reporting, clear ESG goals tied to KPIs, resource allocation, and upskilling carbon literacy are essential governance enablers. He also reminds directors that business as usual is no longer viable – boards must act with intention, collaborating with supply chain partners and peers to accelerate decarbonisation, as climate extremes demand faster private sector action.

Phoenix's journey offers directors a vivid governance blueprint: set measurable targets, track progress meticulously, and ensure the board nurtures both strategy and capability to deliver meaningful emissions reductions.

Read the full article here.

CASE STUDIES: THE ROLE OF BOARDS IN DRIVING CLIMATE ACTION

AUTHOR:
Climate Governance Initiative

The Climate Governance Initiative's international case study collection showcases how companies across sectors and regions are embedding climate action into boardroom decision-making. These real-world examples offer practical insights into the governance levers directors can use to drive strategic climate responses – from integrating climate risk into enterprise risk management to linking executive remuneration with decarbonisation goals.

The cases reflect diverse starting points and challenges, yet a common theme is clear – high-performing boards treat climate not as a siloed concern but as a strategic, financial and cultural imperative. Boards in sectors ranging from finance and energy to retail and heavy industry are strengthening their oversight, investing in climate literacy and ensuring accountability for climate performance.

For directors navigating a rapidly changing regulatory and risk landscape, these case studies illustrate what good governance looks like in practice. They show how clarity of purpose, strong leadership and board-level ownership of climate issues can help companies build resilience, earn trust and unlock new opportunities.
As climate expectations continue to rise, these stories offer valuable lessons for directors seeking to lead with credibility and impact.

Read the case studies here.

CHANNEL: TRANSITION IS GOOD FOR THE PLANET – AND BUSINESS

AUTHOR:
Noel Prentice, Institute of Directors – January 2025

Channel Infrastructure offers a compelling example of board-led transition in action. Under the leadership of Chair James Miller CFInstD, the company has moved from fossil fuel refining to a low-carbon future focused on developing an Energy Precinct at Marsden Point. This includes exploring sustainable aviation fuel and biofuels, repurposing decommissioned assets and retaining skilled employment, all aligned with New Zealand's decarbonisation goals.

Climate is embedded in governance and strategy.
A dedicated climate working group reports directly to the board, executive incentives are tied to sustainability targets, and external advisors have been engaged to assess physical and transition risks and to challenge assumptions. The board has also strengthened capability by appointing directors with expertise in future fuels and ensuring climate is considered at the Audit and Finance Committee level.

Transparency is a core focus, with reporting aligned to emerging disclosure standards. Channel is also collaborating with global partners and local fuel importers to scale innovation and support emissions reductions across the supply chain.

This case demonstrates how boards can embrace transition as both risk and opportunity. Through clear leadership, capability building and integration of climate into decision-making, Channel is positioning itself and its stakeholders for long-term resilience and relevance in a low-emissions economy.

Read the full article here.

Leading in the age of disruption

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Jonathan Castaneda on Unsplash

Disruption is no longer a shock, it is the new normal. For boards, this means leadership must evolve. This section explores what it takes to govern boldly in an age defined by climate risk, shifting expectations and accelerating change. From reframing competitiveness to reshaping boardroom culture, directors are called to act with urgency and imagination.

These articles highlight how boards are embedding climate into core strategy, practising and improving crisis response, influencing systems, and changing minds – not just metrics. The path ahead demands more than oversight. It calls for direction, conviction and a willingness to lead transformation from the boardroom out.

COMPETING IN THE AGE OF DISRUPTION

AUTHOR:
Daniel Street, Partner, DLA Piper New Zealand – April 2025

In an era defined by disruption, boards must urgently reframe their understanding of competitiveness. A briefing by the University of Cambridge Institute for Sustainability Leadership (CISL) and DLA Piper – *Future of Boards* – argues that the forces reshaping markets, including climate change, geopolitical instability, resource scarcity and technological acceleration, are not short-term shocks. They are systemic and accelerating. These converging disruptions expose businesses to unprecedented risks, but also offer historic opportunities for those able to lead with foresight and conviction.

Boards that treat sustainability as a compliance issue or add-on to existing strategy risk falling into what the briefing calls "ESG traps" – efforts that appear responsive but lack meaningful impact. Directors are instead urged to embed sustainability at the heart of long-term value creation and strategic innovation. This includes developing forward-looking, board-owned transition plans, backing low-carbon innovation, and ensuring business models are fit for a resource- and emissions-constrained world.

The briefing also challenges boards to move beyond their organisational boundaries to influence the rules of the game – advocating for policy and market conditions that reward sustainable leadership. Collective action, disruptive thinking and bold governance are presented not just as responses to disruption, but as routes to reshaping industries.

Ultimately, the message is clear: leadership in the age of disruption means creating the conditions for long-term success in a low-emissions, high-stakes future.

Read the full article here.

CHANGING MINDS, CHANGING OUTCOMES

AUTHOR:
Judene Edgar CMInstD, Principal Governance Advisor and Chapter Zero NZ Lead – June 2025

Changing how people think and act is central to delivering meaningful climate outcomes – and boards have a powerful role to play in enabling that change. While technical solutions and policy frameworks are essential, human behaviour ultimately determines whether climate strategies succeed or stall. Directors can drive impact by ensuring leadership, systems and incentives are aligned to support low-emissions transformation.

Recent insights show a growing gap between public expectations and perceived business action, with only 31% of New Zealanders believing businesses are doing enough. Bridging this trust gap requires boards to move beyond compliance and embed climate goals into purpose, strategy and culture.

Research from the farming sector shows leadership visibility, clear incentives and peer influence all help accelerate behaviour change. Boards must support CEOs and senior leaders to be climate role models, while aligning performance frameworks and organisational systems – including procurement, reporting and budgeting – to reinforce low-emissions outcomes.

Encouraging a culture of learning, experimentation and adaptation is also key. Climate action is not just a matter of technical execution, but of governance that enables people and systems to evolve. When boards engage with the behavioural levers of change, climate strategy becomes more than a plan – it becomes part of how the organisation works every day.

Read the full article here.

NAVIGATING THE SHORT- AND LONG-TERM TRADE-OFFS

AUTHOR:
Alec Tang MInstD, Partner – Sustainable Value, KPMG – April 2025

In a world shaped by volatility, rising costs, tight labour markets, climate extremes and shifting regulations, boards are under pressure to make decisions that balance urgent demands with long-term value creation. This article explores the governance challenge of navigating trade-offs between both short-term pain, long-term gain and short-term gain, long-term pain.

Boards often find themselves focused on immediate issues: cost pressures, compliance, reputational risk. But effective climate governance demands they also hold space for the future, allocating time and resources to long-term thinking, scenario planning and systems transformation. High-performing boards distinguish themselves by how they manage this tension. They ask the tough questions, challenge short-termism and align investment decisions with future-fit business models.

The article highlights that many directors are concerned their boards are too reactive, and that climate issues are not receiving sustained attention. The antidote, it argues, lies in board leadership that is deliberate, capable and willing to engage with uncertainty.

For directors, the message is clear: long-term climate strategy and short-term decision-making are not opposing forces – they are interdependent. Boards must navigate both with clarity, courage and a firm eye on what it will take to remain resilient and competitive in a low-emissions future.

Read the full article here.

CLIMATE CHANGE: PRACTISE THE CRISIS PLAN

AUTHOR:
Carolyn Kerr MInstD, Chief Executive and Co-founder, Anthem – January 2025

When a climate crisis strikes, will your organisation know what to say and who should say it? Too often, crisis plans exist only on paper, untested and forgotten until it's too late. This article underscores a critical lesson: if you don't practise the plan, it won't work when it matters most.

Despite increasing climate volatility, many organisations overlook the importance of regularly rehearsing crisis communication and response protocols. Global and local data show a reactive pattern – plans are updated after major events but are rarely embedded into ongoing governance practices. Without regular simulation, even well-documented plans can falter under pressure.

For boards, this is a clear governance responsibility. Directors must ensure crisis readiness is not left to chance. Rehearsals test clarity of roles, decision-making speed, messaging accuracy and communication channels. These are vital elements when public trust, reputation and continuity are on the line. They also reveal whether the CEO, chair, or designated spokesperson is prepared to lead confidently under scrutiny.

Embedding climate-related crisis simulation into board oversight strengthens organisational resilience and safeguards reputational capital. In an era where the next major event is not a question of if, but when, practising the plan is not optional – it's essential.

Read the full article here.

WHY BRANDS SHOULD CARE ABOUT CLIMATE CHANGE

AUTHOR:
Judene Edgar CMInstD, Principal Governance Advisor and Chapter Zero NZ Lead – April 2025

Brands cannot afford to treat climate change as optional. As global politics shift and some companies retreat from ESG commitments, the core drivers remain: regulation, investor expectations, climate science and consumer demand. With nearly 85% of consumers experiencing climate impacts and a significant share willing to pay a premium, silence on sustainability – referred to as "greenhushing" – poses a serious risk to brand reputation and business value.

Boards must embed climate action into core strategy, backed by transparent measurement, reporting and credible communication. Businesses that fail to articulate their climate commitments risk eroding stakeholder trust and losing their licence to operate.

Directors must actively oversee climate-related targets, disclosure and performance. They should ensure sustainability is integrated across risk, strategy and operations, not siloed within marketing teams. In markets where ESG disclosures are becoming mandatory, boards that demonstrate purpose-driven leadership not only protect reputation but also unlock long-term value, resilience and competitive advantage. Now is the time for boards to lead decisively on climate or risk being left behind.

Read the full article here.

Anthem

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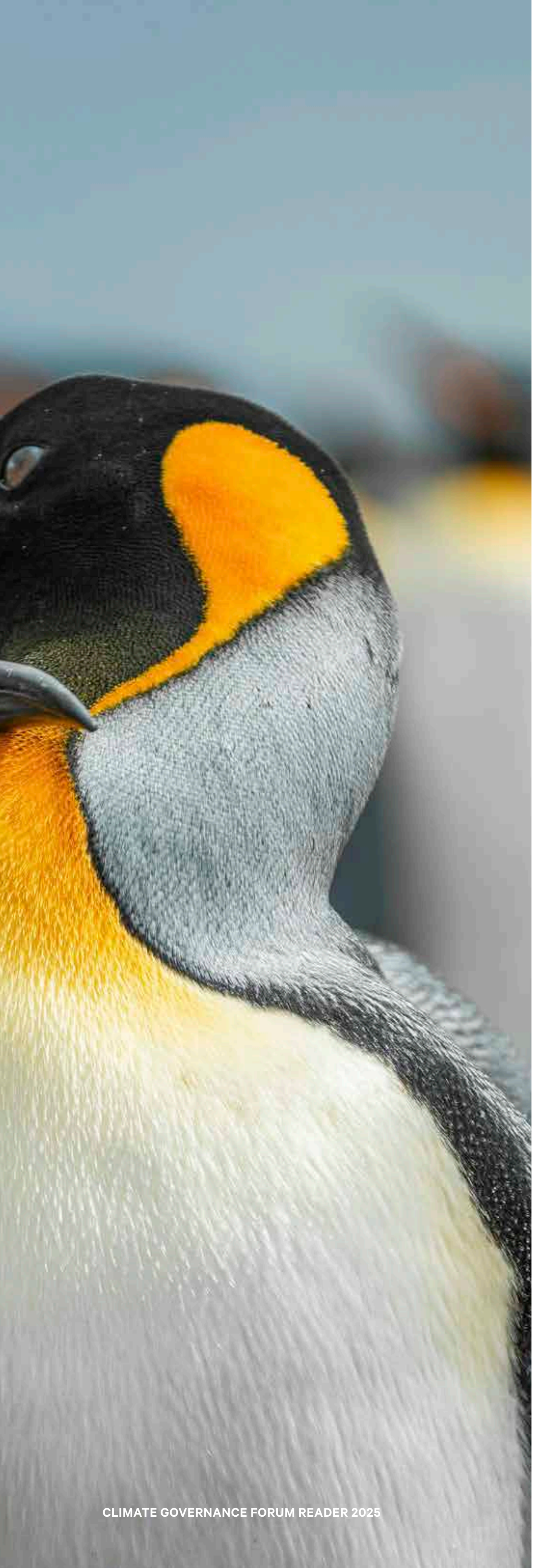
Embedding sustainability into strategy



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Matthew Stephenson on Unsplash

Embedding sustainability into strategy is a fundamental governance responsibility that supports long-term performance, risk management and organisational resilience. For boards, this means moving beyond compliance to actively shaping how environmental and social considerations inform business models, investment decisions and value creation. It requires a clear understanding of material sustainability risks and opportunities, strong alignment between purpose and strategy, and oversight of credible targets and metrics.

Effective governance in this area also depends on board capability, cross-functional collaboration, and a culture that values transparency and continuous improvement. Ultimately, sustainability should be embedded into the organisation's DNA, not treated as a standalone initiative.

EMBEDDING SUSTAINABILITY INTO CORE BUSINESS

AUTHOR:
Chapter Zero UK and Deloitte
– November 2024

Chapter Zero UK, in collaboration with Deloitte, convened a roundtable exploring how businesses can embed sustainability into core strategies – and the roles directors and chief sustainability officers (CSOs) must play in leading this shift. Key barriers identified included short-term boardroom focus, limited CSO authority and underestimation of climate risks. To address these challenges, the roundtable recommended elevating the CSO role to report directly to the CEO, embedding sustainability into board agendas, and appointing sustainability ambassadors across all levels.

The roundtable also advocated aligning sustainability goals with financial performance and positioning sustainability as a value driver rather than a compliance issue. This includes linking sustainability targets to remuneration and improving board sustainability literacy through continuous learning.

Encouraging a "progress over perfection" mindset, it also highlighted business-to-business partnerships as particularly receptive to investing in sustainable solutions. By adopting these strategies, companies can better manage risk while gaining competitive advantage in a shifting operating environment.

Read the full article here.

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Alexander Psiuk on Unsplash

SUSTAINABILITY REPORTING: A GUIDE FOR BOARDS AND LEADERSHIP

AUTHOR:
Chapter Zero NZ and KPMG
with insights from Anthem and Dentons
– March 2025

The *Sustainability Reporting Guide* provides a clear, step-by-step framework for leading meaningful, non-financial reporting that aligns with strategy, stakeholder expectations and regulatory developments. Designed for organisations at various stages of maturity, the guide begins with foundational actions such as clarifying purpose, mapping current activity, identifying material topics and establishing governance roles. It then supports boards in creating practical action plans, including setting priorities, building data systems, establishing targets and embedding assurance.

Crucially, the guide stresses that sustainability reporting is not a tick-box exercise. It should drive transparency, build trust and surface the organisation's contribution to long-term value. Boards are encouraged to avoid both overstatement and under-communication, presenting progress and challenges openly backed by clear metrics and authentic narratives.

The guide also offers practical tools such as a "plan-on-a-page", governance checklists, role clarity, and advice on upskilling and assurance. It positions reporting as a lever for stakeholder engagement, brand value and strategic insight – not just compliance.

Sustainability reporting must be embedded in board oversight and business decision-making. When done well, it becomes a strategic enabler clarifying risks, identifying opportunities and strengthening organisational resilience for a low-emissions future.

Download the guide here.

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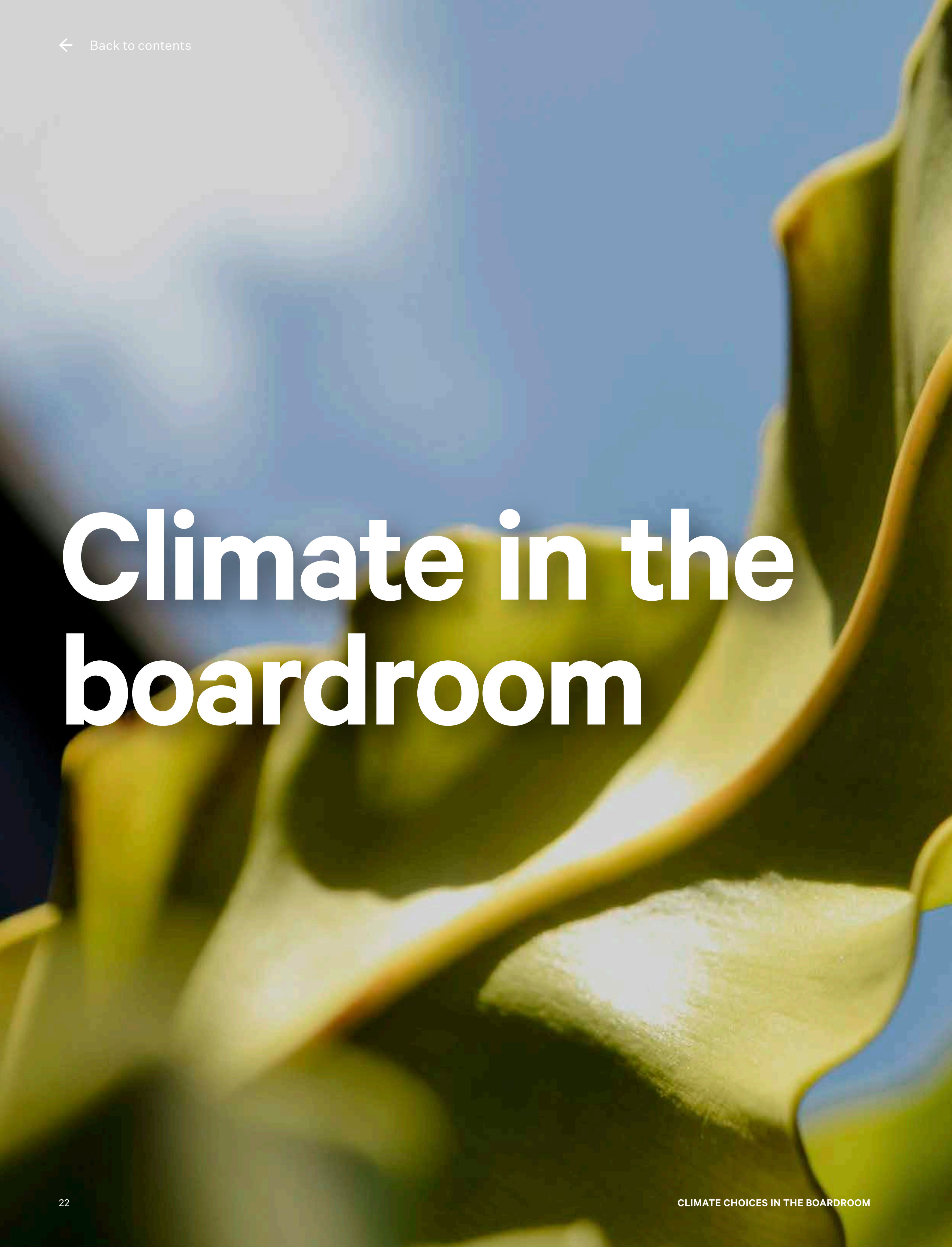
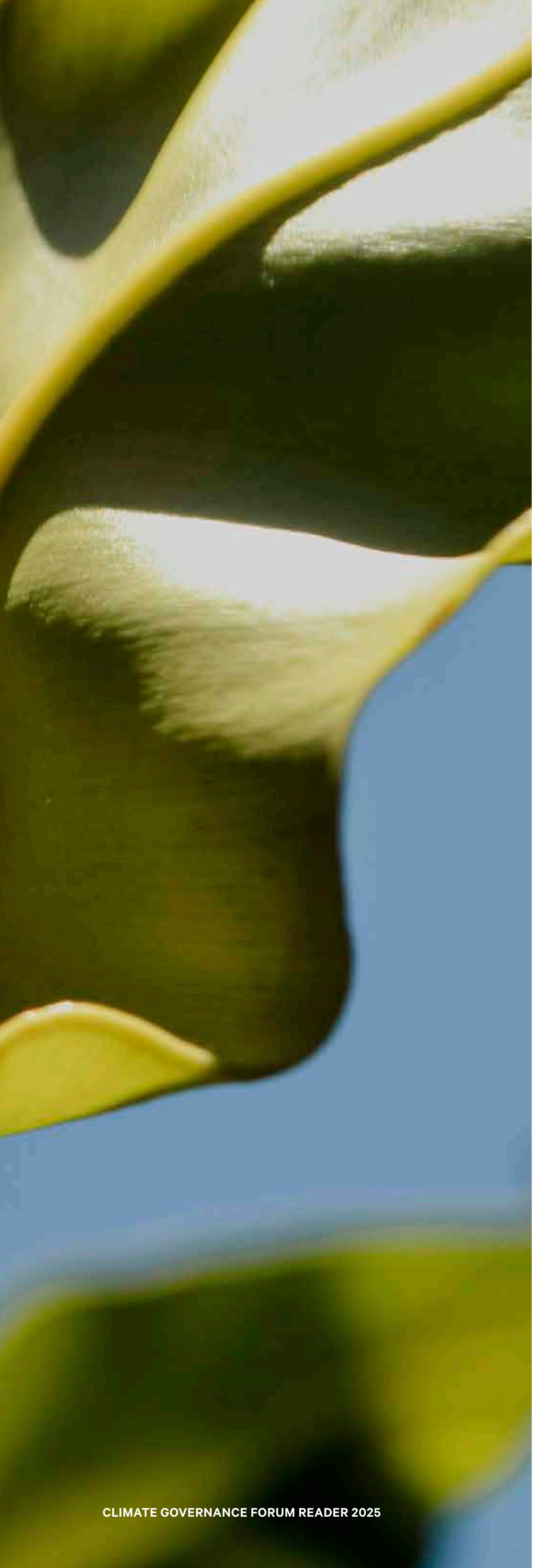


Climate in the boardroom



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Climate change presents complex risks and opportunities that demand active, informed board leadership. Directors must be equipped to oversee climate strategy, ensure credible transition planning and guide business model transformation. This involves integrating climate considerations into governance structures, risk frameworks and decision-making processes, while also fostering boardroom cultures that support challenge, innovation and long-term thinking.

As regulation intensifies and stakeholder expectations grow, climate-capable boards are not just a compliance necessity, they are a competitive advantage. Effective climate governance is central to future-fit leadership and long-term, sustainable business performance.

ARE YOU CLIMATE CAPABLE?

AUTHOR:
Judene Edgar CMInstD, Principal Governance Advisor and Chapter Zero NZ Lead
– June 2025

What does it take to lead on climate from the boardroom? This question was front and centre at a recent Hobson Leavy forum, where governance leaders explored the pivotal role of board chairs in navigating the climate transition. As climate change accelerates, it is no longer enough for boards to be informed – they must be actively shaping strategy, culture and capability.

Yet fewer than half of directors feel confident in their board's ability to oversee climate-related risks and opportunities. The forum highlighted that climate expertise should not be siloed or outsourced. It must be embedded across every aspect of governance, from director recruitment and board agendas to performance evaluation and investment decisions.

Chairs are well placed to lead this shift. By setting expectations, fostering diverse thinking and prioritising regular, informed engagement, they help turn climate from a technical topic into a core strategic lens.

Boards with strong climate capability don't just react to regulation – they anticipate change, support innovation and align climate action with commercial outcomes. While political narratives may come and go, the forum underscored a consistent truth: effective chairs build cultures where climate is woven into the fabric of decision-making, driving both resilience and long-term value.

This article was first published in *Boardroom*.

Read the full article here.

HOBSON LEAVY
EXECUTIVE SEARCH

THE ROLE OF DIRECTORS IN SUSTAINABILITY AS A BUSINESS MODEL TRANSFORMATION

AUTHOR:
Sydney Straven, Managing Director, &BLOOM Sustainability and ESG
– April 2025

Sustainability is no longer peripheral – it is central to long-term strategy, value creation and business resilience. Directors play a vital role in steering this transformation, ensuring sustainability is embedded in organisational purpose, governance structures, investment decisions and performance measures.

This shift requires more than passive oversight. Boards must actively guide how sustainability informs risk, innovation and opportunity. That includes questioning whether executive incentives, resource allocation and decision frameworks support long-term environmental and social goals – not just short-term returns.

Leadership capability and culture are equally important. Directors should encourage systems thinking, support upskilling and foster an environment open to learning and change. They must also ensure the boardroom reflects diverse expertise and perspectives, including lived experience.

Transparency and trust underpin effective transformation. Boards must demand rigorous, clear sustainability reporting and engage meaningfully with stakeholders to ensure accountability.

As sustainability becomes a defining force across markets and regulation, the boards that lead this shift will be best placed to secure long-term competitiveness. Directors are not just stewards of the current business model – they are architects of the next.

Read the full article here.

EMBEDDING SUSTAINABILITY IN THE BOARDROOM

AUTHOR:
Judene Edgar CMInstD, Principal Governance Advisor and Chapter Zero NZ Lead
– May 2025

Embedding sustainability into boardroom decision-making is no longer a nice-to-have, it is a business imperative. This article explores how boards can shift from a compliance-focused mindset to one where sustainability is treated as a core strategic priority. While many boards recognise the importance of climate and social issues, relatively few are embedding these systematically into governance frameworks, decision processes and leadership capabilities.

To lead effectively, boards must ensure sustainability is integrated across five key areas: purpose, strategy, risk, performance and culture. This means aligning climate goals with corporate purpose, considering long-term impacts alongside short-term performance, and holding management accountable through relevant KPIs. Crucially, directors themselves must become climate-literate, able to challenge assumptions, scrutinise trade-offs and ask the right questions.

The article also emphasises the importance of leadership from the chair and board culture in shaping direction and tone. Without visible commitment and clear accountability, sustainability can be siloed or superficial.

As stakeholder expectations rise and regulatory frameworks evolve, boards must act now to ensure sustainability is not just discussed but operationalised. Embedding climate governance is about building resilient, future-fit organisations that can navigate disruption, earn trust and unlock long-term value.

Read the full article here.

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