

Standard Update Summary

Building Insulants (EC 25-25)



Eco[®]
Choice
Aotearoa



Ministry for the
Environment
Manatū Mō Te Taiao

Introduction

In alignment with Eco Choice Aotearoa's continued commitment to ensure our certifications reflect the best ethical and environmental standards possible, this document summarises the changes to the Building Insulant (EC 25) standard. EC 25-25 underwent a review and now include two new requirements: **Environmental Management Systems and Modern Slavery and Social Accountability**.

In addition to including the Environmental Management Systems and Modern Slavery and Social Accountability requirements, ECA updated **the Hazardous Substances, Waste Management, Threshold for material-specific criteria and Energy Management and Greenhouse Gas Emissions**.

How to read this document:

Each update and inclusion of new requirements are identified by the section name, section number, and page number where the changes are located in the standard. A screenshot of the relevant section is also included for reference. Text changes/updates to previously existing requirements in the standard are indicated in **red**.

Introduction of the Environmental Management Systems or Process (Section 5.2; page 10)

The Environmental Management Systems or Process section firmly introduces the requirement that applicants/licence holders or manufacturers must have an appropriate environmental management process or system (EMS). To demonstrate compliance, the applicant/licence holder or manufacturer must have a written statement of compliance signed by the Chief Executive Officer or other otherwise authorised representative and documentation of an EMS based on ISO 14001 or a detailed process for controlling environmental risks (hazardous substances, discharges to air land and water or other relevant environmental impacts).

The section reads as follows:

Criteria

The applicant / licence holder or manufacturer must have (or establish, if necessary) appropriate environmental management processes or an environmental management system (EMS), to manage the environmental impacts from the manufacturing of the product.

Verification required

Conformance with this requirement shall be demonstrated by providing a written statement on compliance, signed by the Chief Executive Officer or other authorised representative of the applicant/licence holder or manufacturer. The statement shall be supported by an EMS based on ISO 14001, or details of the processes for controlling hazardous substances, discharges to air, land and water or other relevant environmental impacts.

Introduction of the Modern Slavery and Social Accountability (Section 5.3; page 10-11)

The Modern Slavery and Social Accountability section introduces requirements for the applicant/license holder and manufacturer to have a publicly available document (example: easily accessible link on company webpage) outlining policies and procedures addressing human rights, diversity & inclusion and anti-bullying. The policy/policies should include explicit commitments based on international policies (The International Bill of Rights and the International Labour Organization), explicitly outline the company's expectations regarding conduct and process for how the company will implement its commitment and monitor compliance. A written and signed statement by the Chief Executive Officer or other authorised representative of the applicant/licence holder is required to demonstrate compliance and evidence of compliance (e.g., copies of policies and plans of implementation).

Please read **Appendix C** of the EC 25-25 Standard for more information.

Introduction of the Modern Slavery and Social Accountability (Section 5.3; page 10-11)

The section reads as follows:

Criteria

- a The applicant / licence holder and manufacturer must have a publicly available policy / policies on human rights, diversity & inclusion, and anti-bullying. At a minimum, it should comprise:
- An explicit, commitment to respect all internationally recognized human rights standards – understood, at a minimum, as the International Bill of Rights and the International Labour Organization (ILO) Declaration on the Fundamental Principles (see below) and Rights at Work;
 - Stipulations concerning the company's expectations of personnel, business partners and other relevant parties e.g. a code of conduct; and
 - Information on how the company will implement its commitment and monitor compliance with it.

Note: The Trust expects the applicant / licence holder and manufacturer to show that it is undertaking activities to create more equitable conditions for those affected by, or involved in, the sourcing and manufacturing of products and materials, supported by a publicly available document.

- b Where an applicant / licence holder and manufacturer has found instances of modern slavery in their business operations and or supply chains* in the past two years, there shall be evidence of corrective action.
- c In addition to the above, the applicant / licence holder and manufacturer shall consider:
- Providing information to confirm whether the requirements of Social Accountability International Standard, SA8000 have been considered;
 - Being a Living Wage employer (or equivalent); and
 - Having a senior member (example: manager, director, or C-suite level roles) of its organisation responsible for social and environmental sustainability.

Note: From ILO Declaration on the Fundamental Principles and Rights at Work, there are the following core labour standards:

- Freedom of Association and Protection of the Right to Organise Convention, 1948 (No. 87);
- Right to Organise and Collective Bargaining Convention, 1949 (No. 98);
- Forced Labour Convention, 1930 (No. 29);
- Abolition of Forced Labour Convention, 1957 (No. 105);
- Minimum Age Convention, 1973 (No. 138);
- Worst Forms of Child Labour Convention, 1999 (No. 182);
- Equal Remuneration Convention, 1951 (No. 100); and
- Discrimination (Employment and Occupation) Convention, 1958 (No. 111).

*Supply chains refer to the products and services (including labour) that contribute to the ECA-licensed products and services. This includes products and services sourced in NZ or overseas and extends beyond direct suppliers.

Verification required

Conformance with this requirement shall be stated in writing and signed by the Chief Executive Officer or other authorised representative of the applicant/licence holder. This statement shall be accompanied by documentation that:

- Copies of the relevant policies, procedures and plans; and
- Records demonstrating the plans are being effectively implemented (including monitoring results).

Update to Threshold for material-specific criteria (Section 5.4.1; page 11)

The **Threshold for material-specific criteria** section has been updated to include additional information regarding percentages of polyester and recyclable products. Please note that when discussing products with a mixture of material products, the criteria relate to each material type, not the product as a whole.

The section reads as follows:

Any insulant material in the insulation product shall meet the requirements for the relevant raw materials set in Clauses 5.4.2 through 5.4.6 if it contributes more than 5 % of the weight of the product. If the product contains a mixture of materials, the requirements below in Clause 5.4.2 to 5.4.6 apply to each material type and not the product as a whole, e.g. in a product containing both wool and polyester, the polyester material must meet the requirements in 5.4.3 and the wool material must meet the requirements in 5.4.4.

Update to Hazardous Substances (Section 5.5; pages 14-15)

The **General Hazardous Substances** section has been updated to include criteria (d) regarding applicants providing publicly available documents of chemical ingredients to align with recently updated standards and the requirements of GBCA. Please read the final bullet point in the **Verification required** section regarding the requirements for criteria c.

The section reads as follows:

Criteria

- a The following substances shall not be added to the insulation product or used during the production process:
 - Polybrominated diphenyl ether flame retardants.
 - Brominated paraffin flame retardants.
 - Short-chained chlorinated paraffin flame retardants.
 - Tin, lead, mercury, cadmium or chromium-containing catalysts or additives.
- b Substances which are classified as carcinogenic, mutagenic or toxic to reproduction shall not be added to the insulation product.
 - Formaldehyde-containing binders are exempt from this criterion as they are specifically addressed in Clauses 5.4.2 e) and 5.9.
 - Antimony in polyester is excluded from this criterion as it is specifically addressed in Clause 5.4.3 c).
 - Borax/Boron used in glass wool insulation is exempt from this clause as it is specifically addressed in Clause 5.4.2 f).
 - Phenol-based resins (including phenol formaldehyde) and boric acid in specialist fire-resistant products are exempt from these requirements.
- c Any insect resist agent used must not be classified as toxic.
- d **A publicly available document (example: safety data sheet or technical data sheet) which discloses all hazardous substances and chemicals of concern in accordance with the Globally Harmonized System (GHS).**

Verification required

Conformance with this requirement shall be demonstrated by providing a written statement on compliance, signed by the Chief Executive Officer or other authorised representative of the applicant company. This statement shall be accompanied by documentation that:

- identifies all the flame retardants, catalysts, additives, insect resist treatments and other hazardous substances used; and
- includes Safety Data Sheets (SDS) for each substance or other information to confirm that the requirements in a) - c) are met.
- **regarding criteria (d), a publicly available Safety Data Sheet (SDS) or Technical Data Sheet (TDS) may meet the requirements, provided all hazardous substances are identified in accordance with the New Zealand Health & Safety at Work Act and Hazardous Substances and New Organisms Act, or local equivalent legislation in the country where the product is manufactured. SDS for products sold in New Zealand must meet New Zealand legislative requirements. Hazardous substance classifications should be in accordance with the Globally Harmonised System (GHS).**

NOTE: Compliance with the requirements in in b) and c) may be demonstrated by providing data indicating that the substance does not have any of the classifications (or combinations thereof) listed in Table 3 (Appendix B).

Update to Waste Management (Section 5.6; page 15)

The **Waste Management** requirement received a minor update, including criteria d, which requires that the licence holder has continual improvement objectives and targets regarding reducing waste generation and increasing reuse and recycling.

The section reads as follows:

Criteria

- a The licence applicant/holder and product manufacturer must have effective waste management policies and procedures and/or a waste management programme covering manufacturing operations. These policies should include:
 - use recycled materials in the insulant production, where practicable,
 - recycle waste materials from the production process.
- b Where an insulant product contains recycled materials, the percentage of recycled materials in the product shall be stated on the packaging. This should include the minimum recycled content.
- c Licence holders and product manufacturers must report annually to the Trust on waste management, including:
 - quantities and types of waste recovered for reuse internally and externally;
 - quantities and types of waste recycled internally and externally;
 - quantities and types of waste disposed of to landfill;
 - quantities and types of waste burned internally for energy recovery;
 - waste generation related to production; and
 - initiatives taken to reduce waste generation and improve recovery/recycling of waste.
 - initiatives or requirements for suppliers or contract manufacturers.
- d *Licence holders must have continuous improvement objectives and targets relating to the reduction of waste generation, and the increase of reuse and recycling rates over time, year on year (when averaged over five years). Any divergence from objectives or targets should be explained in the annual report***

Verification required

Conformance with these requirements shall be demonstrated by providing a written statement on compliance, signed by the Chief Executive Officer or other authorised representative of the applicant company. This statement shall be accompanied by documentation that:

- describes the waste management policies, procedures and programmes;
- supports the stated recycled content;
- includes procedures to ensure the stated level of recycled content is consistently achieved; and
- includes annual reports to the ECA on waste generation, minimisation and management.
- ***details the improvement objectives and targets relating to the reduction of waste generation and the increase of reuse and recycling rates (any divergence from objectives or targets should be explained in the annual report).***

Update to Energy management and greenhouse gas emissions (Section 5.7; page 16)

Several changes/additions have been made to Energy management and greenhouse gas emissions (previously known as Carbon). The changes include the addition of criteria a, which requires improved objects and targets for reducing energy use related to the production of ECA products and greenhouse gas emissions on a year-by-year basis, as well as public disclosure of a commitment to decarbonize between now and 2050 on a 1.5 °C trajectory, with a significant reduction by 2030.

Please be aware that an EPD is **not mandatory** to fulfil the reporting requirements for the Energy Management and Greenhouse and Gas Emissions requirement. As indicated on **page 16** of EC 25-25, data generated from programs such as The Climate Action Toolbox from the Ministry of Business, Innovation & Employment are acceptable means for providing evidence for this requirement.

Update to Energy management and greenhouse gas emissions (Section 5.7; page 16)

The section reads as follows:

Criteria

The requirements below refer to the energy used, and greenhouse gas emissions generated for production of ECA-licensed products. Where the energy use and / or greenhouse gas emissions generated for ECA-licensed products cannot be separated from the whole manufacturing / warehousing facility or production line, the total energy use and / or greenhouse gas emissions generated can be used.

- a The applicant/licence holder must have effective energy management policies and procedures and/or an energy management programme for their operations.
- b Licence holders must report annually to the Trust on energy management, including:
 - total energy use.
 - breakdown of total energy use to types of energy used, including renewable energy.
 - **energy use related to production (i.e. the embodied energy of a product).**
 - **energy use related to transport of raw materials*.**
 - methodology for calculating and recording material GHG emissions.
 - **initiatives taken to reduce energy use and CO2 emissions and to improve energy efficiency.**
 - **initiatives taken to calculate CO2 emissions per product (i.e. the embodied CO2 of a product).**
 - initiatives or requirements for suppliers or contract manufacturers.
 - information on energy use and management, including use of renewable energy, where that information is available to the licence holder.
- c **Licence holders must have improvement objectives and targets for reduction of energy use related to production of ECA-licensed products, and associated GHG emissions, year by year. Furthermore, licence holders must publicly disclose a commitment to decarbonise between now and 2050 on a 1.5°C trajectory, with a significant reduction prior to 2030. Any divergence from objectives or targets should be explained in the annual report.**

* The Climate Action Toolbox ([Business.govt.nz |Tools and resources](https://business.govt.nz/tools-and-resources)) is a free tool that can be used to calculate transportation emissions. Information required for the inputs include weight of the raw materials / products (in tonne), the estimated distance of freight and the mode of transportation (rail freight, air freight, ocean freight).

Please note – an Environmental Product Declaration is **not** required to satisfy this clause.

Verification required

Conformance with these requirements shall be stated in writing and signed by the Chief Executive Officer, or other authorised representative, of the applicant/licence holder company. This statement shall be supported by documentation (as relevant) that:

- describes the energy management policies, procedures and programmes.
- details of performance against improvement objectives and targets relating to the reduction of energy use related to production of ECA-licensed products, and associated GHG emissions, over time.
- **confirms the licence holder has publicly committed to decarbonise between now and 2050 on a 1.5°C trajectory, with incremental reduction up to 2030 (any divergence from objectives or targets should be explained in the annual report);** and
- includes annual reports to the ECA on energy use and management.