CORPORATE ENVIRONMENTAL REPORTING:

ARE NEW ZEALAND COMPANIES BEING LEFT BEHIND?

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BY INTERNATIONAL STANDARDS, and for a country that prides itself on its clean and green image, New Zealand's record of corporate environmental reporting has been dismal.

The 1996 triennial KPMG survey of corporate environmental reporting placed New Zealand last among 13 OECD countries, a fact shocking enough to make prime-time television news at the time.

Reflecting the lack of developments since 1996, New Zealand does not even feature in KPMG's latest (1999) international report.

Through sponsorship of the New Zealand Environmental Reporting Awards and an environmental unit at its Auckland offices, KPMG (NZ) had sought to encourage corporate environmental reporting. In the face of almost non-existent movement on the issue, KPMG (NZ) seems to have given up. It disbanded its environmental unit last year and withdrew its sponsorship of the awards scheme after a five-year involvement.

So why are New Zealand companies so reluctant to report environmental impacts? And are things likely to improve in the near future? Deriving a framework from leading European practice and taking examples from award-winning European reports, we compiled a "model" environmental report and tested it on leading New Zealand companies for their reactions.

The results of the survey, which give some grounds for optimism, are provided in this article. But first we provide some background on the history and development of corporate environmental reporting in Europe and, to a much lesser extent, New Zealand.

WHO DOES WHAT?

In the same way that companies issue annual financial reports, many United States, United Kingdom and other European companies issue annual environmental or environmental health and safety (EHS) reports.

The 1999 KPMG international survey found that an average 24 per cent of the top 100 companies in each of 11 countries (excluding New Zealand) *already* issue stand-alone environmental reports. In Australia, 15 per cent of the top 100 companies issue these reports, up from five per cent three years ago. In the UK, Denmark, Sweden, the US and Germany, the figures are at 30 per cent. New Zealand is still at five per cent.

The Association of Chartered Certified Accountants (ACCA) in the UK has sponsored an environmental reporting awards scheme since 1991. Typical reports, that might run to 30, 40 or more pages, cover an extensive range of issues from corporate policy through performance targets and achievements to compliance and monitoring (see **Figure 1**).

Sixty-four entries were received in the latest round (ACCA, 1999). Past winners and short-listed entries include British Airways, British Telecom, Anglian Water, United Utilities, the Co-op Bank, BP Amoco, Boots (the retail chemist chain) and B&Q (a do-it-yourself building retail chain).

Environmental reporting is dominated by companies in the chemicals, forestry, paper, oil and gas, mining, automotive, transport and pharmaceutical industries, as well as utilities. Nonetheless, there are growing developments in other sectors, including retail and financial services.

The ACCA awards scheme not only seeks to find an overall best reporter, but also

FIGURE 1

Environmental reporting framework

- Organisational profile
  An overview of the organisation in terms of its size, sites, employees, markets served and key interactions with the physical environment.
- Board level commitment
  A statement, generally by the CEO, that acknowledges the central importance of the environment to the organisation's mission and explains in broad terms the strategy being pursued to effectively manage environmental impacts.
- Policy statement
  A public commitment to pursue particular goals and objectives in terms of managing, measuring and reporting performance against specified targets. Statements also typically include a commitment to promote a wide understanding of the organisation's environmental issues among key stakeholder groups.
- Targets and achievements
  A comprehensive set of targets that cover all key environmental issues faced, in terms of establishing effective management systems, responsible use of natural resources, and control of waste generation and emissions.
- Performance and compliance
  Detailed performance data forms the central feature of the best environmental reports. Such data comprehensively illustrates success and failure in making progress toward the stated targets. Data addresses the following core areas:
  - Prosecutions and complaints
    Organisations must be seen to be completely transparent in their environmental disclosures. This means owning up to deficiencies as well as successes.
  - Physical data
    Detailed quantified information covering natural resource and energy usage, solid waste generation and emissions to air and water. Such information can be readily set in useful context and hence made more understandable by benchmarking performance against statutory limits and utilising industrial or other averages.

- Financial data
  Environmental performance has, increasingly, been expressed in dollar amounts. As activity-based costing systems develop, organisations are increasingly able to track environmental capital and operating expenditures, which are becoming ever more material within the overall cost structure.
- Management systems
  Reliable performance information is impossible without adequate management systems. This section of the report typically describes the system, pinpointing key responsibilities for managing various aspects of environmental performance. Also included are details on system improvements, most notably progress toward ISO or other certification standards, and the establishment of internal environmental audit procedures.
- Site level data
  For organisations with multiple operating sites, many of the best environmental reports provide a summary page of quantitative and qualitative data for each site. Each page might typically include data on key physical environmental indicators, an outline of notable environmental actions undertaken, an analysis of any serious incidents and descriptive detail on the environmental management system employed. Increasingly, organisations are promoting transparency of operations to the local community by specifically naming a management contact on site.
- Independent verification
  Early validation practice concentrated overwhelmingly on systems compliance issues. More recent, and arguably better, practice entails the verifier attesting that the report addresses all significant environmental issues. The best verification statements also report on the acceptability of performance and offer recommendations for systems improvement and reporting practice.

encourages new developments by seeking a "best first-time reporter", a "best small-medium enterprise reporter" and a "best supply chain reporter". The last award rewards companies that develop and report mechanisms that assess not only their own, but also their suppliers' environmental performance.

Although younger, the European awards scheme has attracted the support of leading professional accountancy bodies not only from the UK, but also from Denmark, Belgium, the Netherlands, France and Germany (Kreander, 2000).

Comments from the 1998 European scheme indicate that the spread of environmental reporting shows no sign of slowing down. "The number of stand-alone reports continues to grow [and] the environmental reporting scene is at once characterised by a range of exciting and innovative developments whilst gradually beginning to coalesce around a common core of reporting issues."

To further encourage environmental reporting in Australia, Environment Australia – a department of the Federal Government – published an extensive 50-page report in March 2000. Entitled *A Framework for Public Environmental Reporting: An Australian Approach*, the report seeks to provide companies with an effective and practical way to develop and publish public environment reports.

With such rapid developments elsewhere, is New Zealand being left behind?

Gilkison and Ensor (1999) certainly think so. The problem with environmental reporting in New Zealand, they suggest, is that "we have a voluntary reporting regime and (almost) no volunteers. At a time when other countries are moving ahead in leaps and bounds, New Zealand seems to be taking small steps backwards." And these are not glib comments. Both authors have been involved in the New Zealand corporate environmental reporting awards scheme since its inception in 1995.

The history of the annual New Zealand awards scheme (see Gilkison, 1995, 1996, 1997, 1998) shows at best five serious corporate
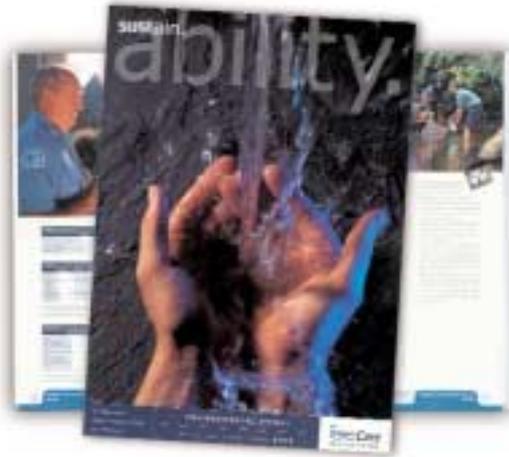
Award winner … Watercare Services Ltd has consistently won the New Zealand Environmental Reporting Awards.

contenders. In 1999, the number fell to two!

One company, Auckland-based water utility Watercare Services Ltd, has consistently won the award. Another early pioneer of environmental reporting was the Electricity Corporation of New Zealand (ECNZ).

Stand-alone reports have been issued by Tasman Pulp and Paper, New Zealand Refining, Carter Holt Harvey, Fletcher Forests and, more recently, by Landcare Research, Meridian Energy and Sanford Ltd. In common with US and Australian practice, several of these reports combine environmental reporting with health and safety matters. Landcare, Meridian and Sanford, however, represent the most recent developments of moving to "sustainability" or "triple-bottom line" reports in which attempts are made to report on environmental, social and economic performance.

Whether such combination reports are superior to separate reports depends upon the level of detail they include, their completeness as opposed to selectivity, and the extent to which they can fully integrate environmental, social and financial performance. Nonetheless, once committed to stand-alone reporting, most New Zealand companies have continued to develop and improve their reporting practices.

Furthermore, evidence from Europe suggests that not only is reporting likely to improve but, importantly, companies claim reporting has

The fact that the reporting framework has been taken up so passionately by European companies also illustrates its practical feasibility

helped them improve their environmental performance and identified cost savings through better emissions and waste control (Bebbington, 1999a, Kreander, 2000).

A stepping stone to stand-alone reporting used by ECNZ and New Zealand Refining was the traditional annual report. By devoting a separate section to matters of environmental performance, these companies built up the expertise and confidence to launch a separate report.

Several other New Zealand companies could be following suit. Ports of Auckland, GRD Macraes Ltd and Tranz Rail, for example, devote separate sections of their annual financial reports to matters of environmental and health and safety impact.

New Zealand environmental reporting initiatives are beginning to match up with leading-edge European practice. The problem is not the reporting, but the lack of reporters. British Telecom, British Airways and the British Airports Authority, for example, have been at the forefront of reporting initiatives since the early 1990s. Yet, by contrast, Telecom New Zealand, Air New Zealand and Auckland International Airport have not got around to issuing separate environmental reports or even making substantive environmental disclosures in their annual reports.

AN EMERGENT FRAMEWORK

Developing a stand-alone annual environmental report should not be that difficult, given the coherent and comprehensive framework that has emerged from long-standing European practice (see Figure 1).

The framework exhibits broadly similar features to the criteria employed by the judges for the New Zealand awards, the UK awards, and recommendations emanating from the Canadian Institute of Chartered Accountants'

Reporting on Environmental Performance (see Gilkison, 1996). The fact that the reporting framework has been taken up so passionately by European companies also illustrates its practical feasibility.

HOW THEY LIKED THE MODEL

Using the framework outlined, a printed "model" corporate environmental report was sent to *Management* magazine's top 200 companies as well as to 70 New Zealand local authorities and non-government organisations (e.g., World-Wide Fund for Nature, Greenpeace).

The model report, entitled "A to Z Environmental Report 2000", was constructed using award-winning examples from several European companies' annual environmental reports. These included examples from Danish pharmaceutical company Novo Nordisk (www.novo.dk); British Airways (www.british-airways.com); British electric utility Eastern Group (www.eastern.co.uk); and British water utility Anglian Water (www.anglianwater.co.uk).

An accompanying questionnaire sought views on how well the report communicated the organisation's environmental impacts and environmental management to key stakeholder groups. Respondents were also asked to indicate how their own current, or planned, reporting practices corresponded with the model report. If companies were not planning to report, they were asked why.

WHO RESPONDED AND HOW MANY PLAN TO REPORT

Sixty companies and 20 local authorities and non-government organisations responded to the survey, a response rate of approximately 30 per cent. The company responses are almost certainly biased in favour of companies issuing, or planning to issue over the next three years, environmental reporting information in separate or annual reports.

Twenty-four companies, representing 40 per cent of the corporate respondents, either issue or are intending to issue environmental reports or combined environment, health and safety reports. The 40 per cent take-up rate is, however, unlikely to be indicative of the 200 companies surveyed.

Even so, the lowest possible take-up rate of 12 per cent (24/200) is very encouraging. It is considerably more than that evidenced through the entries to the New Zealand Environmental Reporting Awards. Furthermore, we are aware of at least two other organisations that already issue separate reports and at least two others that are seriously working on issuing their first report.

Perhaps, then, as many as 30 (15 per cent) of the largest New Zealand organisations will be publicly reporting their environmental performance in separate reports within three years. Several others also made it clear that they would continue to report environmental performance through the traditional annual report.

Still, while the reporting trend looks good, New Zealand companies clearly have a long way to go to catch up with overseas practice.

IMPRESSIONS OF THE MODEL REPORT

Reactions to the model report were very encouraging. An overwhelming 94 per cent of company respondents found the reporting structure both logical and coherent, with 90 per cent of local authorities and environmental groups suggesting the same.

What's more, 80 per cent of companies and 95 per cent of local authorities also considered the report a useful means for their organisation to demonstrate environmental accountability to external stakeholders. And 80 per cent of each

FIGURE 2

Environmental report usefulness to stakeholders
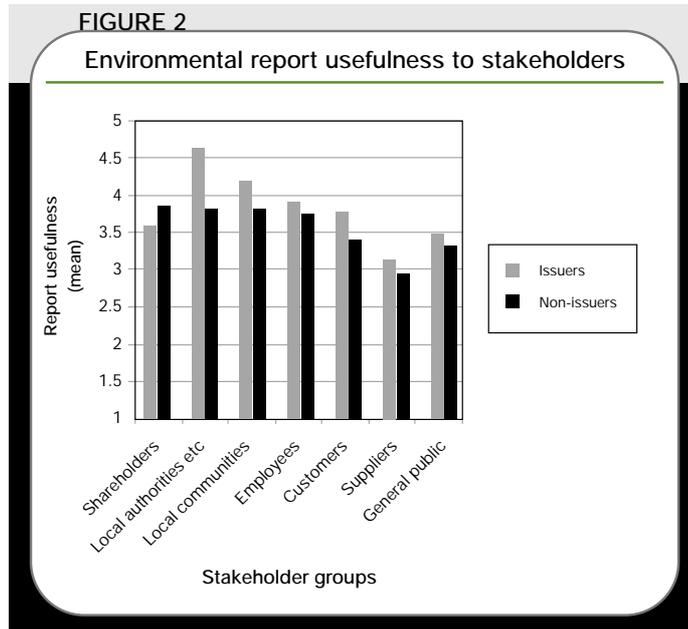
group saw such a style of reporting becoming more prevalent over the next three years.

Most surprising, however, is the fact that 44 companies (74 per cent) agreed the report provided "a useful model" for their own organisation to follow, yet only 24 companies subsequently agreed that they intended issuing such a report within three years. Reasons for not wishing to report are discussed below. First, we consider the rest of the proposed framework.

Figure 2 illustrates corporate perceptions about the usefulness of the model report (from 5 = very useful to 1 = not useful) to various stakeholder groups. Those companies issuing or planning to issue an environmental report appear to single out external stakeholder groups such as local authorities, environmental groups and local communities as likely to find such reports most useful. In contrast, those not planning to report see such external groups as benefiting little more than traditional groups such as shareholders and employees.

The findings in Figure 2 are consistent with the recent KPMG international survey. It reports that across the 11 countries surveyed, more than 50 per cent of companies in each of the chemicals, forestry and paper, oil and ▶

Those few companies that embarked on stand-alone reporting are clearly targeting their reports at external stakeholder groups

gas, and utilities sectors that were surveyed were issuing stand-alone reports. In New Zealand, those few companies that have already embarked on stand-alone reporting nearly all come from these sectors and are clearly targeting their reports at external stakeholder groups such as local communities, local authorities and other environmental groups.

WHAT COMPANIES THINK STAKEHOLDERS WANT

We asked companies which aspects of the report structure they believed would be most important to their key stakeholders (from 5 = most important to 1 = not important). We also asked local authorities and other environmental groups which aspects of such a report would be most useful to them.

Those issuing or intending to issue an environmental report generally perceived all aspects of the report were more important than those not intending to issue a report. The performance evidence sections are believed to be most important to issuers' stakeholders, including "targets and achievements", "prosecutions and complaints" and "physical performance data", along with the policy statement.

Figure 3 also shows that the potential users of such reports rate highly these same attributes. Report issuers, then, appear to have correctly predicted what they need to provide to their likely user groups. But they also seriously underrate several other sections of the report.

Most notable in the expectations gap is independent verification, but site-level reporting and information on management systems also lag. Users clearly see independent verification as equally important to evidence of targets and achievements, yet companies have either failed to understand this or disagree that such verification is necessary.
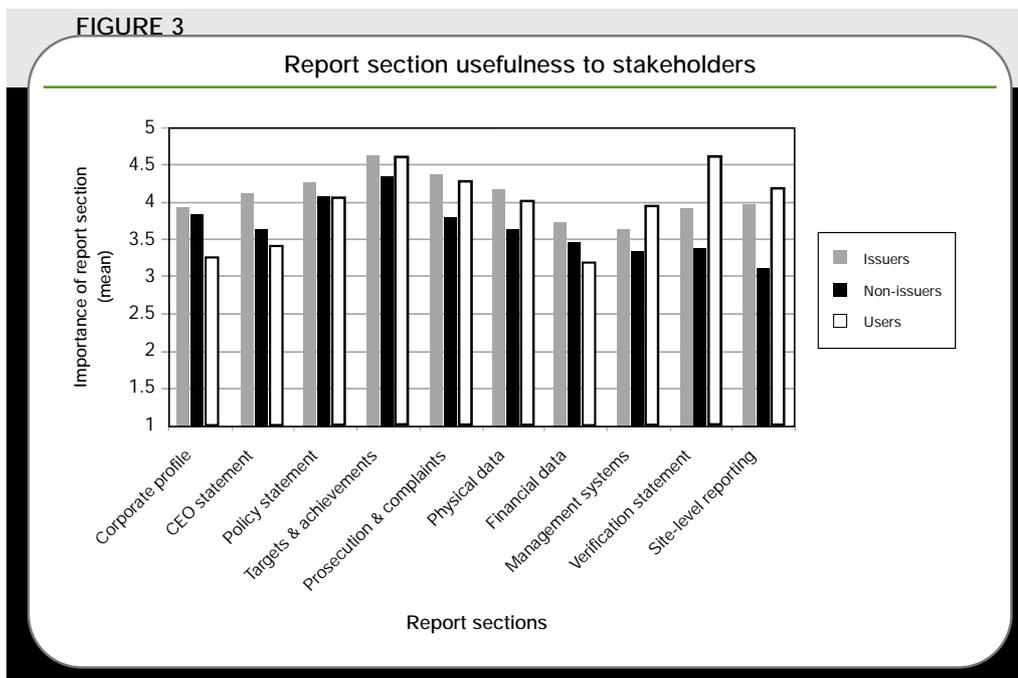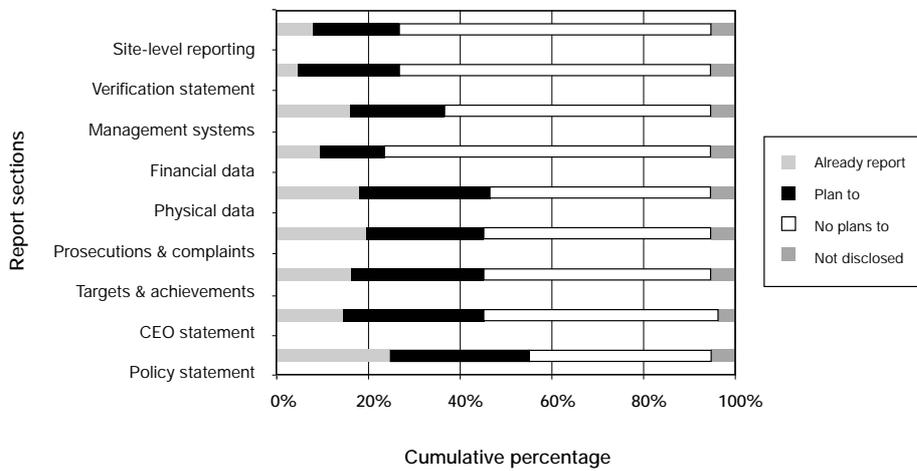
FIGURE 3

Report section usefulness to stakeholders

FIGURE 4

Corporate reporting plans

Legend:
- Already report
- Plan to
- No plans to
- Not disclosed

Y-axis (Report sections, top to bottom): Site-level reporting, Verification statement, Management systems, Financial data, Physical data, Prosecutions & complaints, Targets & achievements, CEO statement, Policy statement

X-axis: Cumulative percentage (0% to 100%)

RELUANCE OVER INDEPENDENT VERIFICATION

Evidence on the difference in views between issuers and users can also be seen from other aspects of the survey. From **Figure 4** it is evident that only a few companies issue or plan to issue environmental report information that is independently verified. Remembering that 40 per cent of our sample issue or plan to issue stand-alone environmental reports, only about one-third of these have their reports independently verified or plan to do so.

One might have thought that the idea of providing an independent verification would have merit, in the same way that the financial data in an annual report is audited. Most companies, however, do not see it this way. Several respondents told us that it was "not in the company's interest to mislead stakeholders", while another suggested "the concept of being 'kept honest' by an independent verifier could paint a negative image, i.e., an acknowledgement that 'our word is not good enough'."

At least one other realised the difficulty with companies engaging the independent verifier themselves. As they suggested, "There is little point [in independent verification] when most consultants have a vested interest in approving your system. We need a government body to perform the task."

It is also possible that companies were reluctant to have their reports independently verified because of the cost. If this was a reason, however, it was not specifically identified. Costs, in fact, were singled out as an explanation by only a few companies and mostly by those choosing not to report at all (see **Figure 6**).

The danger for companies that don't have their environmental reports independently verified is that the reports may be written off by sceptical user groups as little more than public relations "greenwash".

This occurred in the UK during the first few years of companies issuing environmental reports. Those days of the "green glossy" PR-orientated report, however, are long gone. Without independent verification, no one in the UK treats such reports as serious. The latest ACCA judging criteria also make it clear the emphasis in the UK is now on the completeness and credibility of corporate environmental reporting, and not just on content.

Many users see environmental reports as legitimising exercises aimed at building image and pre-empting legislation

USERS SCEPTICAL

Evidence of the scepticism of New Zealand users was given by their responses to our question about why they thought companies might issue stand-alone environmental reports. Based on the World Industry Council for the Environment (WICE, now the World Business Council for Sustainable Development) 1994 publication *Environmental Reporting: A Manager's Guide*, which outlines a number of corporate benefits to environmental reporting, we had offered users several possible rationales.

Shown in **Figure 5**, it is evident that many users see environmental reports as legitimising exercises aimed at building image and pre-empting legislation. Only a minority of users believed such reports were evidence of a genuine corporate commitment to the environment.

Companies would be foolhardy to ignore these perceptions, since they were gleaned from the very people the companies identified as the targets of their reporting. Also, such cynicism seems hardly out of place when WICE itself had

suggested: "Providing regulators with inform-ation gives them a wider appreciation of activities beyond legal requirements. The more they understand your enterprise, the easier it will be for you to influence the debate in your sector."

Without independent verification and detailed site-level data, or perhaps even with independent verification, companies may have difficulty shaking off external stakeholder scepticism.

WHY MOST NEW ZEALAND COMPANIES WON'T REPORT

Given the poor development of environ-mental reporting in New Zealand, we were particularly concerned to find out why. Major reasons, we suspected, could well centre on a lack of established management expertise and systems for generating relevant data, the costs involved in producing the reports, or a perceived lack of demand from stakeholders.

Figure 6 shows that lack of management expertise and systems provide little apparent barrier to environmental reporting. Somewhat surprisingly, costs also appear to be unimportant. They appear to be a factor only
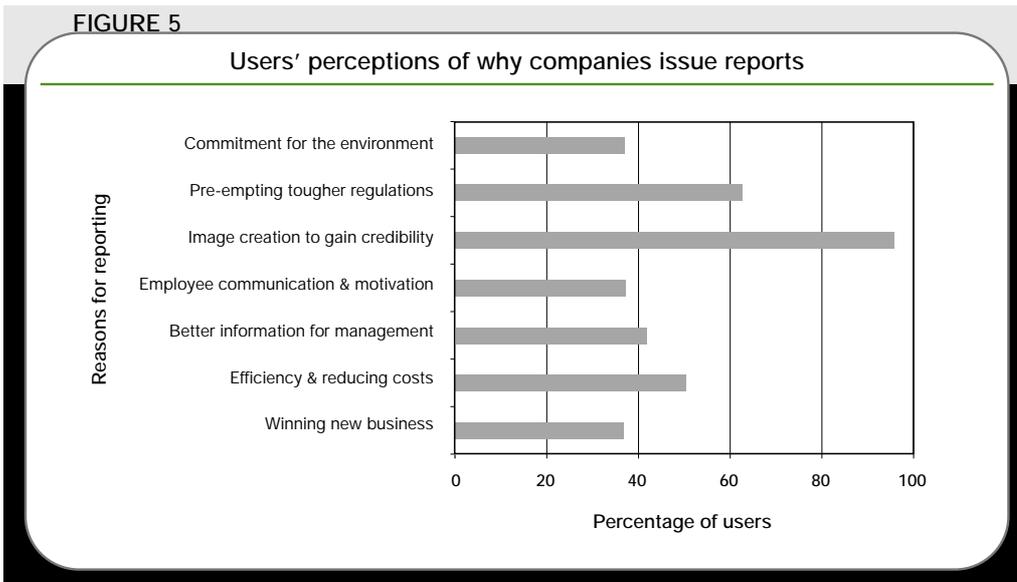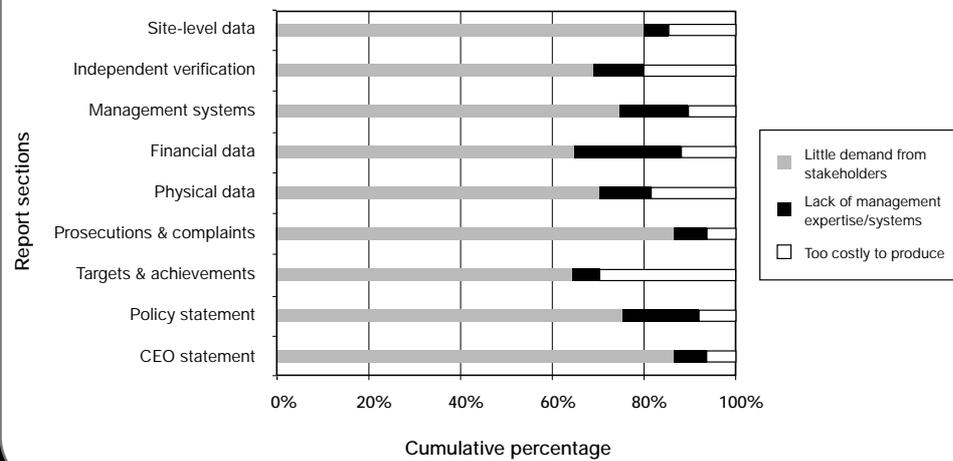
FIGURE 5

Users' perceptions of why companies issue reports

FIGURE 6

Reasons for not reporting

Report sections (vertical axis):
- Site-level data
- Independent verification
- Management systems
- Financial data
- Physical data
- Prosecutions & complaints
- Targets & achievements
- Policy statement
- CEO statement

Legend:
- Little demand from stakeholders
- Lack of management expertise/systems
- Too costly to produce

X-axis: 0%, 20%, 40%, 60%, 80%, 100% — Cumulative percentage

with regard to targets and achievements information. Most companies suggest it is the lack of demand from stakeholders that is driving their decisions not to disclose.

Whether this lack of stakeholder demand is something that companies have systematically examined and measured or whether it is based on assumptions is not clear.

Several companies said in their open responses that they had sought feedback from readers of their annual report regarding the environmental content and the readers were not interested in stand-alone environmental reports. Several others told us the provisions of the Resource Management Act were sufficient to create accountability through the consent process and through reporting to local authorities. Interested stakeholders, it was suggested, could find out about matters of environmental performance through the local authority's monitoring records.

It is not clear whether external stakeholders have these same views. They may be satisfied with existing arrangements. But they may also be unaware of what is possible and/or distrust corporate environmental reporting initiatives.

An overwhelming majority of our respondents, both companies and potential users, saw the model report as logical and coherent (98 per cent) and a useful means to demonstrate accountability for environmental performance to external stakeholders (80 per cent).

It needs to be remembered, however, that environmental reporting in New Zealand (and elsewhere) is both voluntary and entirely within the control of the organisation reporting. It may not so much be that stakeholders are uninterested, but rather that they feel that reporting, as it is currently practiced, seems to offer few genuine avenues for dialogue with companies.

WHAT LIES AHEAD?

If the results of our survey hold up, New Zealand looks set to experience a sharp increase in corporate environmental reporting over the next three years. And there appears to be little difficulty in arriving at an acceptable corporate environmental reporting framework for New Zealand.

Voluntary initiatives in the UK and Europe over the past 10 years, exemplified by the model report utilised in this survey, have produced a framework that enjoys a wide measure of support. Furthermore, our New Zealand respondents indicated strong support for the ▶

It is not clear that mandatory reporting would actually improve environmental reporting or environmental management

structure of the report and agreed the majority of the reporting categories would transmit important information to key stakeholders.

MANDATORY REPORTING?

The prospect of legislation further increasing New Zealand's rate of corporate environmental reporting looks remote. The previous coalition government, and in particular Deborah Morris, advocated amending the Companies Act 1993 to require statutory disclosure of environmental impacts by companies. This never happened.

Corporate submissions to Ministry for the Environment focus group discussions and an information paper designed to stimulate debate have also rejected the idea (MfE, 1998).

Furthermore, it is not clear that mandatory reporting would actually improve environmental reporting or environmental management, or provide genuine consideration of stakeholder concerns.

In Denmark, for example, compulsory environmental reporting was established in 1996 with a three-year transition period (Bebbington, 1999a). Yet the recent KPMG international survey reveals that only 29 per cent of Denmark's top 100 companies issue stand-alone environmental reports, with only 46 per cent of the top 100 issuing environmental information in any kind of report. In the UK, where a voluntary regime operates, the figures are 32 per cent and 84 per cent (KPMG, 1999). Of course, the size and industrial make-up of each top 100 will partially explain these differences, but the point remains that compulsion does not guarantee reporting.

Neither does mandatory reporting guarantee useful reporting. Bebbington (1999a) reports on a 1999 Danish government review that shows that 30 per cent of submitted environmental reports did not meet the mandated requirements or were not understandable. Furthermore, Danish government surveys of various stakeholders, including local communities and consumers, revealed that many were unaware of the reports, or found them not useful.

The UK also outperforms Denmark and all other countries when it comes to having environmental reports verified and, arguably, made more useful by enhancing their credibility to external stakeholders. More than half of the UK reports were independently verified in contrast to 21 per cent for Denmark, 10 per cent for Germany and three per cent for the US (KPMG, 1999).

MAKING ENVIRONMENTAL REPORTING MEANINGFUL

Verification, while a step in the right direction, does not guarantee reporting useful to stakeholders. Useful or meaningful reporting, we would argue, requires the realisation that corporate environmental reporting is not an end in itself, but rather a series of periodic accounts of a continuing process of change – a process that permits and indeed encourages genuine and continuous stakeholder participation.

Issued in June 2000, the *Global Reporting Initiative Sustainability Reporting Guidelines* (GRI) in part recognises the importance of stakeholders by including within their framework "Stakeholder Relationships" (see www.globalreporting.org).

The GRI guidelines, however, are geared toward report content and not process development. There is also no shortage of concern about whether such guidelines can, in fact, offer a framework for corporate "sustainability" reporting and whether this is simply not just another business-led attempt to emasculate the notion of sustainability (Welford, 1997; Bebbington, 1999b; Gray, 2000).

Greater recognition of a *process* of accountability is provided for in the Accountability Standard AA1000 issued by the Institute of Social and Ethical Accountability (ISEA – www.accountability.org.uk). AA1000, while focusing on social and ethical account-ability, outlines a process which includes:

1 Establishing commitment and governance procedures.

2 Identifying stakeholders.

3 Defining/reviewing values.

4 Identifying issues.

5 Determining process scope.

6 Identifying indicators.

7 Collecting information.

8 Analysing information, setting targets and developing improvement plans.

9 Preparing reports.

10 Auditing reports.

11 Communicating reports and obtaining feedback.

12 Establishing and embedding systems.

ISEA is keen to point out that "stakeholder engagement" is at the heart of AA1000. Engagement, we are told, is about organisations "using leadership to build relationships with stakeholders and hence improving performance". The process is said to be a dialogue and not a one-way information feed. Stakeholders can be involved in defining the terms of the engagement and can voice their views without restriction or fear of penalty.

But while the principles of AA1000 are easily adaptable to environmental reporting, they are questionable. The recommended process is established, run and controlled by the organisation. This is further reinforced throughout AA1000 by the constant reference to "the organisation", even to the point that it is the organisation that "arranges and supports the external audit of the process, including the social and ethical reports".

Unlike financial auditing, then, where the auditor is independent and reports to the shareholders, with AA1000 and many other verification statements, the (social or environmental) auditor acts on behalf of the organisation.

This lack of auditor independence has led some commentators (including one of the authors) to suggest that AA1000 and indeed most of the current practice of social and environmental reporting may be little more than "stakeholder management". AA1000 is merely used to legitimise the process (Owen et al., 2000; Swift and Pritchard, 1999). Furthermore, and unlike an annual general meeting of the shareholders, AA1000 provides for no independent forums at which stakeholders' voices can be heard.

Overseas companies, and a few New Zealand respondents to our survey, say they often experience a deafening silence from those whom they seek to target with their corporate environmental reports. This does not surprise us in the absence of independent public forums. For not only do such forums provide a place to be heard, they increase the perception, if not the likelihood, that what is said in public will be heard and acted upon.

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NEW ZEALAND'S BIG CHANCE TO LEAD

New Zealand companies have for some time become used to debating with external stakeholders at independent forums. Since 1991, the Resource Management Act (RMA) has prescribed public resource consent hearings to permit debate on applications for resource use.

The next logical step we would suggest, particularly if environmental (and/or social, ethical) reporting is to have significance to the stakeholders it purportedly addresses, is to create independent forums to appraise environmental performance. Biennial or triennial "stakeholder meetings" could be held in the same way annual shareholder meetings are held.

New Zealand, given its existing law and practice under the RMA, has a unique opportunity to not only catch up with the rest of the world, but to lead it in making environmental reporting genuinely meaningful and useful to external stakeholders. By making environmental reporting an integral part of a process that seeks to engage and debate with stakeholders at regular independent public forums, New Zealand could lead the way in a new mode of corporate governance.

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