Response

Are you responding on behalf of an organisation, or as an individual? Organisation
The full name of the organisation you are responding on behalf of (f relevant) ACC Investments
Will you be a climate-reporting entity after the definition is changed through the Financial Markets Amendment Bill? No
Which of the following best describes your organisation? Other (please specify) Crown Financial Institution
Responding to this survey as: both a primary user and preparer
9. Do you agree with the proposed amendments to NZ CS 1 to permit exclusion of some financial activities? Yes
10. Why or why not? The proposed amendments to NZ CS 1 appear to be a practical way of achieving substantially the same outcome as paragraph 29A of IFRS S2. However, an amendment aligned with paragraph 29C of IFRS S2 may further support the comparability of reported emissions for primary users, particularly where entities with similar activities adopt differing approaches to the inclusion or exclusion of emissions attributable to derivatives, insurance underwriting and reinsurance activities, and capital market issuance activities.
11. Do you agree that the proposed list of permitted exclusions (derivatives; insurance and reinsurance underwriting activities; capital market issuance activities) appropriately captures investment-related emissions that are not ‘financed emissions’? Yes
12. If not, what should be added or removed, and why? [see Exposure draft – Appendix B, paragraphs B6 and B9]
13. Is the proposed ‘may exclude’ drafting clear and operable for your entity given the measurement standard you use (e.g., GHG Protocol Scope 3 Standard, ISO 14064-1, PCAF Standards)? [see Exposure draft – Appendix B, paragraph B9] Yes
14. If not, what specific wording changes would improve it?
15. The ISSB added additional disclosures (IFRS S2 paragraphs 29B–29C) when an entity applies the IFRS S2 paragraph 29A relief. Do you agree that we should not add these additional disclosures into NZ CS 1, given NZ CS 1 already requires disclosure of exclusions under paragraph 24(d)? Partially

16.	If not, what additional disclosure(s) would you consider useful for primary users (and why)? While the fair presentation principle underlies both NZ CS and IFRS, primary users may find it useful for entities to disclose emissions attributable to the permitted exclusion activities when those emissions are included in an entity's emissions inventory and constitute a significant proportion of the entity's total emissions. Why? While paragraph 24(d) of NZ CS 1 appears to broadly cover paragraph 29B of IFRS S2 in that both apply to entities that choose exclusions, paragraph 29C of IFRS S2 has broader application because it also applies to entities that do not choose exclusions. As a result, paragraph 29C supports better comparability of reported emissions between entities with similar activities but differing approaches to the inclusion or exclusion of emissions attributable to derivatives, insurance and reinsurance underwriting activities, and capital market issuance activities. Adding an amendment to NZ CS 1 for the disaggregation of emissions attributable to derivatives would also appear to be consistent with financed emissions reporting standards (e.g PCAF), without the need to introduce "financed emissions" as a defined term within NZ CS.
17.	Do you agree with the proposed inclusion of content from our existing staff guidance *Excluding GHG emissions sources — Considerations for preparers*, as authoritative (mandatory) application material within NZ CS 1? [see Exposure Draft – Appendix B, paragraphs B1 to B8] Partially
18.	If not, why not, and what would you suggest should be included or deleted?
19.	Do you agree with the proposed mandatory date of 1 January 2027, with early adoption permitted? Yes
20.	If not, what date would you suggest and why?
21.	Do you agree with our assessment of the benefits and costs of the proposed amendments to NZ CS 1 including the impacts on primary users and climate reporting entities? Yes
22.	Why or why not? In your response, please include any examples that illustrate the practical effects, such as costs or impacts on the usefulness or comparability of the proposed amendments.
23.	Do you have any other feedback on the ED proposals?