

External Reporting Board
Level 6/154 Featherston St
Central Wellington
6011
NEW ZEALAND

Swiss Re Life & Health Australia Limited
ABN 74 000 218 306
Level 36, Tower Two,
International Towers Sydney
200 Barangaroo Avenue
Sydney NSW 2000 Australia
Phone +61 2 8295 9500
Fax +61 2 8295 9600
www.swissre.com

11 June 2025

Re: Request for Information – The International Alignment of Climate Reporting

Dear Sir or Madam,

Please find enclosed our submission in response to the External Reporting Board's Request for Information on Climate Reporting 2025. This submission outlines Swiss Re's views on the role of internationally aligned climate disclosures in supporting effective risk management, capital allocation, and long-term resilience.

Yours faithfully,



Richard Foda
Chief Risk Officer ANZ

Swiss Re Life & Health Australia Limited

Submission to the External Reporting Board (XRB)

Submitted by: Swiss Re

1. Which standards, overseas jurisdictions or other specific elements of international alignment are the most important for you (as a CRE or a primary user of climate statements), and why?

Swiss Re supports international alignment in climate-related disclosures, particularly where it reduces duplication and enhances efficiency. As a global reinsurer, we operate in multiple jurisdictions and are subject to various local reporting regimes. Currently, the most relevant jurisdictions for us in the context of this consultation are Switzerland, New Zealand, Australia, Singapore, and Malaysia.

Both Singapore and Malaysia have adopted pragmatic approaches to international alignment by allowing local subsidiaries to rely on group-level climate or sustainability disclosures.

In Singapore, large non-listed companies (NLCs) may be exempt from preparing standalone climate-related disclosures, if their ultimate parent company prepares a consolidated report aligned with ISSB or equivalent standards (e.g., EU ESRS), the local entity's activities are included in that report, and it is publicly accessible.

In Malaysia, large NLCs (with annual revenue \geq RM2 billion) may leverage their holding company's sustainability- and climate-related disclosures if the parent reports using ISSB-aligned or equivalent standards. They may also receive a three-year exemption if the parent reports using other international frameworks (e.g. TCFD), subject to the Registrar's policy decision.

These exemptions recognize the global nature of climate risks and disclosures and avoid unnecessary duplication of effort. We believe New Zealand should consider a similar approach, particularly for multinational entities like Swiss Re, where the New Zealand branch is part of the Australian entity in scope for climate reporting.

2. Is now the right time for New Zealand to amend or replace NZ CS to achieve closer international alignment with any other standards, and why?

It could be beneficial to consider amendments that promote interoperability and mutual recognition, particularly with Australia. Early consideration of changes to the NZ reporting regime could be advantageous while it is still in its early stages.

However, we do not support a full replacement of NZ CS. Instead, we advocate for targeted amendments that enhance compatibility with other regimes while preserving local relevance. Given the new developments in sustainability disclosure requirements, it is prudent to wait and evaluate the most suitable standard to adopt. The focus should be on aligning with the regimes of parent companies of branches in New Zealand, ensuring that local reporting is streamlined and consistent with international standards.

As we are now in the third year of reporting, CREs have invested significant efforts and resources to build comprehensive reporting processes. A drastic change would result in an

increased compliance burden. Therefore, any changes to NZ CS should be carefully evaluated to avoid placing additional stress on CREs.

Since Australia's AASB S2 is based on IFRS S2 and NZ CS aligns with TCFD, there is an opportunity to streamline reporting obligations across the Tasman by allowing mutual recognition. This would also reduce reporting complexity and enhance the comparability of sustainability reports.

3. If closer international alignment is desirable, what process to achieve this degree of alignment is most desirable (e.g., greater alignment of NZ CS or revoking NZ CS)? Why?

We recommend incremental alignment of NZ CS with IFRS S2 and AASB S2, supported by interoperability tools and guidance. This approach allows for consistency across different reports, while avoiding the disruption and cost of revoking and replacing NZ CS entirely.

Given that the Australian regime is based on IFRS S2—which goes beyond New Zealand's current TCFD-based requirements—it may be appropriate for New Zealand to accept the Australian regime as equivalent and consider allowing branch exemptions accordingly. This would support efficient trans-Tasman alignment without duplicating compliance efforts.

4. What information can you provide that this closer international alignment would better achieve the stated purpose of climate reporting as per section 19B of the Financial Reporting Act 2013?

Section 19B emphasizes the provision of decision-useful information to primary users. For Swiss Re, a global company with global materiality considerations, a single, high-quality climate disclosure process better serves primary users than fragmented, jurisdiction-specific reports. A regime that recognises consolidated Group reporting under a comparable standard, instead of similar but fragmented jurisdiction specific reports, would thus be preferable. Local reporting for branches should be avoided, if possible, by allowing to reference the comparable subsidiary or Group reports.

5. Are there any climate-related disclosure requirements that you comply with that are not standards set by other jurisdictions (for example, via supplier agreements)? How important are those disclosures to you? Should the XRB take those requirements into consideration and how?

Swiss Re has voluntarily published a Group report aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations from 2017 onwards. Since 2024 reporting year, TCFD aligned climate disclosure is compulsory in Switzerland.

6. Is mutual recognition important to you and, if so, how would it impact any of your above answers?

Mutual recognition with Australia is important to us if it would allow Swiss Re to prepare a single, high-quality report under the Australian regime that is recognized in New Zealand, thereby reducing duplication and improving efficiency.

We urge the XRB to work with the Financial Markets Authority and Australian regulators to explore a trans-Tasman mutual recognition framework for climate disclosures, similar to existing arrangements for financial product offerings.

Additionally, if an opportunity exists to have mutual recognition for the Group-level report, this will further enhance our ability to supply the primary users of climate reports with comprehensive and high-quality disclosures that provide a full overview of Swiss Re's business. Such recognition would streamline our reporting process and ensure that all relevant information is consistently presented to investors and stakeholders in one consolidated and comprehensive report.

7. Do you have any other comments?

We commend the XRB for initiating this consultation and for its commitment to balancing international alignment with local relevance. We encourage the Board to prioritize pragmatic solutions that reduce compliance burdens while maintaining the integrity and utility of climate disclosures.

Swiss Re remains available to support the XRB's efforts and would welcome the opportunity to participate contribute to future consultations or working groups on this topic.