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BY EMAIL

sustainability@xrb.govt.nz

External Reporting Board
Climate Disclosure Unit
Level 6/154 Featherston Street
Central Wellington
6011
New Zealand

Dear Sir/Madam,

RE: Request for Information on Climate Reporting 2025

Summerset Group Holdings Limited (**Summerset**) (hereafter “we” and “our”) appreciates the opportunity to provide information on climate reporting to the External Reporting Board (**XRB**). We have set out below some context on our business, and our response the request for information (RFI).

ABOUT SUMMERSET

Summerset was founded in New Zealand in 1997 and is now one of New Zealand’s largest operators in the retirement village and aged care sector. We have 43 retirement villages either complete or under construction, and another 11 greenfield sites across New Zealand and Australia in the pipeline for future growth. Summerset is incorporated in New Zealand and is listed on the New Zealand Stock Exchange (**NZX**) as SUM, with a secondary listing on the Australian Securities Exchange (**ASX**) as SNZ. As a company, we have shown consistent growth and are positioned strongly for the future.

Summerset is required by New Zealand legislation to prepare and publish climate-related disclosures in line with the New Zealand Climate Standards (**NZCS**). To date we have published two sustainability reports which include our climate-related disclosure statements as per NZCS.

As we operate and continue to grow in Australia, we expect to be captured by the Australian reporting scheme in the future.

SUMMERSET’S RESPONSE TO REQUEST FOR INFORMATION

Below are the questions and our responses for the RFI from the XRB.

- 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?*

Summerset Group Holdings Limited operates across New Zealand and Australia with Australian growth a strategic priority of the company.

Summerset is not currently required to produce a climate report against the Australian standards (AASB). Our current growth trajectory in Australia means at some point we may need to shift toward complying with the Australian regime.

Consequentially, it is most important for us as a NZ CRE and a future Australian CRE to seek greater alignment or preferably mutual recognition to minimise compliance burden (cost, resources, time) and ensure we produce clear, transparent report(s).

Summerset view is that keeping NZCS aligned with recognised principles and standards (e.g. ISO 31000 – Risk Management, GHG protocol) is the preferable state after alignment or mutual recognition.

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

Yes, when the XRB and FMA first created the NZ CS the state of climate reporting (both from an internationally recognisable framework, and overseas jurisdictions approaches) was nowhere near the maturity that it currently is.

The primary example was the non-existence of the International Sustainability Standards Board (ISSB) and associated and the IFRS Sustainability Standards (IFRS S1 and S2).

As such, Summerset thinks it is prudent to have certainty sooner rather than later on whether NZ CS is to be amended or replaced as entities are still developing processes and practices. This will help to minimise business disruption and costs associated with responding to a more established and embedded regime.

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?*

Summerset's preference would be to work towards greater alignment of NZ CS rather than revoking NZ CS. The rationale for this is that by revoking NZ CS and introducing a replacement standard or framework would likely see a greater burden on Summerset to transition.

Keeping NZ CS, even with amendments to increase alignment would likely be less resource intensive to the organisation than a new framework. In part due to the prior several years spent slowly upskilling the organisations, key individuals and implementing governance for the current reporting regime.

Regardless of the outcome of this RFI, Summerset would like to see a roadmap from the XRB covers of future consultations (including topics), estimated timeframes and potential windows for changes to come into effect.

Summerset feels that this would be of immense value to climate reporting entities (CRE), particularly with the differing reporting windows for each CRE.

Lastly any changes to the standard should take into consideration the differing reporting windows for CREs.

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?*

Closer international alignment will better achieve clause (c) of 19B of the Financial Reporting Act 2013. To enable investors and other stakeholders to assess the merits of how entities are considering those risks and opportunities.

Summerset shares the view of the NZX. That over-time closer alignment of NZ CS with international reporting settings, especially AASB, will better enable New Zealand CREs (including Summerset) to compete for capital on the Australasian and global stage.

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?*

Summerset has several other climate-related disclosure commitments or frameworks which we comply with. Although these commitments are not international jurisdictions, they are integral to our overall climate reporting framework. They guide us in achieving our sustainability targets and ensure that our actions are aligned with global best practice.

These commitments include Sustainability Linked Lending (SLL), Science Based Target initiative (SBTi), membership of the Climate Leaders Coalition (CLC) and being a Toitū Net Carbon Zero certified organisation.

Additionally, interactions that Summerset have involving climate reporting include shareholder, third party investors and analyst firms such as ISS Corporate Solutions, Glass Lewis & Co, S&P Global, CDP (Carbon Disclosure Programme), and Forsyth Barr.

These third-party reporting entities utilise a mixture of reporting frameworks from self-created all the way through to global reporting initiative (GRI). Summerset believes that something as stringent and resource heavy as GRI is not necessary for current climate reporting and should be avoided due to the high burden it places on organisations.

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

Yes, mutual recognition is of importance to Summerset. The primary reason is Summerset has a desire to see mutual recognition between Australian and New Zealand jurisdictions.

This is due to Summerset operating within both jurisdictions and eventually being required to report against both standards if nothing changes. If mutual recognition with

the Australian reporting regime occurs, then Summerset would see NZ CS as the most important.

7. *Do you have any other comments?*

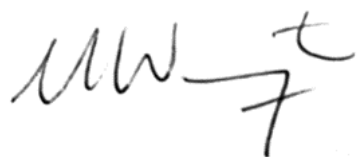
No, Summerset has no other comments.

FINAL COMMENTS

Summerset continues to be broadly supportive of climate reporting however we are conscious about the growing complexity, challenges, and costs of complying across multiple jurisdictions and standards.

We thank you for your considerations of our feedback and emphasise our support of initiatives that enhance the alignment of climate reporting across jurisdictions, and the minimisation of any potential impact from alignment.

On behalf of Summerset,

A handwritten signature in black ink, appearing to read 'MW' followed by a stylized flourish.

Yours sincerely

Margaret Warrington,
Chief Financial Officer