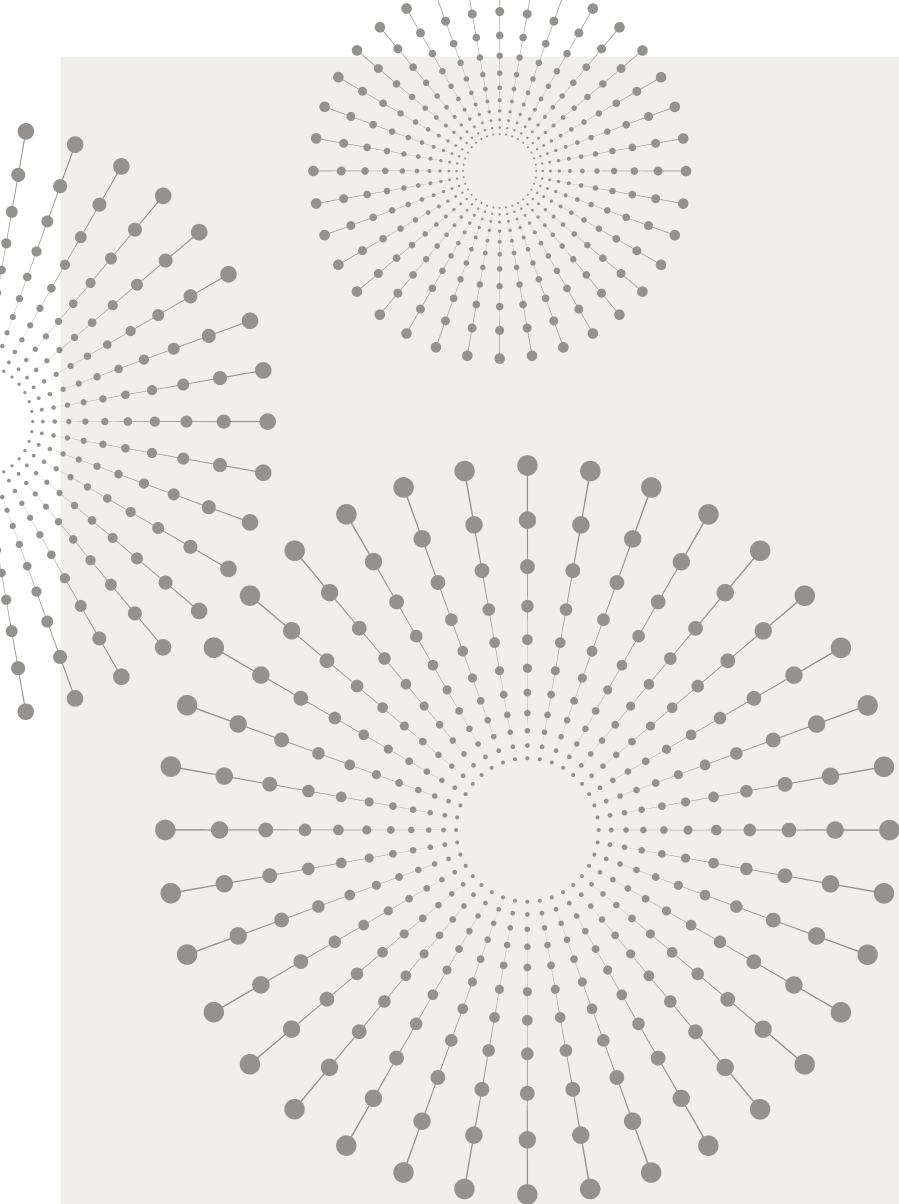


# 2025–2030 Statement of Intent

For the five-year period 1 July 2025 to 30 June 2030





External Reporting Board  
Floor 6, 154 Featherston Street  
Wellington 6011  
New Zealand  
<http://www.xrb.govt.nz>



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# Statement of responsibility

This document is the External Reporting Board's Statement of Intent (SOI). It has been prepared in accordance with the requirements of the Crown Entities Act 2004.

This SOI outlines our medium-term strategic intentions over a five-year period from 1 July 2025 to 30 June 2030.

The Board is responsible for the content of this SOI.

In accordance with the Crown Entities Act 2004, the XRB has consulted with the Minister of Commerce and Consumer Affairs in the preparation of this document. As the XRB is an independent Crown entity, the Minister may not direct the XRB to have regard to, or give effect to, a government policy relating to the XRB's standard setting functions and as a result no such matters are included in this SOI.



**Michele Embling**  
Chair  
25 June 2025



**Fergus Welsh**  
Board member  
25 June 2025

## 1.

# About the External Reporting Board

The External Reporting Board (XRB) is an independent Crown entity under the Crown Entities Act 2004. The XRB was initially established under the Financial Reporting Act 1993, with continued existence provided for under section 11 of the Financial Reporting Act 2013.

We develop and issue financial reporting, auditing and assurance, and climate standards for for-profit, not-for-profit and public sector entities. The standards we issue are secondary legislation and must comply with the Legislation Act 2019.

The XRB is not a regulator; monitoring or enforcement functions are carried out by the Financial Markets Authority.

## Our functions

Our main statutory functions are to issue:

- **Reporting strategies and frameworks** for the issue of standards
- **Financial reporting standards** that describe how to report an entity's financial activities to make financial information meaningful and comparable for users
- **Climate standards** that describe how to report an entity's climate-related risks and opportunities
- **Auditing and assurance standards** that establish the objectives and requirements for conducting audits and other assurance engagements, and **professional and ethical standards** that apply to all assurance practitioners applying the XRB auditing and assurance standards

## Independent standard setting

The XRB is required under the Financial Reporting Act 2013 to consult affected parties before issuing standards and to act independently. These requirements help ensure that standards are credible, high quality and not unduly influenced by interested parties (for example, reporting entities, regulators, accounting, auditing and other professional bodies).

Independent standard setting has long been accepted as best practice for international and national standard setters.

## Our governance arrangements

The XRB's powers are exercised by, or under the authority of the XRB Board. The Governor-General appoints up to nine members to the XRB Board on the recommendation of the Minister of Commerce and Consumer Affairs.

The XRB Board is responsible for the overall governance of the organisation, reporting and standard-setting strategy and oversight of its subsidiary technical boards (see below). The Board has appointed a Chief Executive responsible for the management of the organisation.

The XRB Board used its powers under the Crown Entities Act 2004 to establish three subsidiary boards as committees of the XRB Board (technical boards), and has delegated the following functions to these technical boards under the Act:<sup>1</sup>

- **New Zealand Accounting Standards Board (NZASB)** – prepare and issue financial reporting standards and authoritative notices
- **New Zealand Auditing and Assurance Standards Board (NZAuASB)** – prepare and issue auditing, assurance, ethical, and other related services standards
- **Sustainability Reporting Board (SRB)** – prepare and issue climate standards, authoritative notices and non-binding guidance on non-financial reporting

All three technical boards also have the power to liaise with international or national organisations that perform corresponding or similar functions.

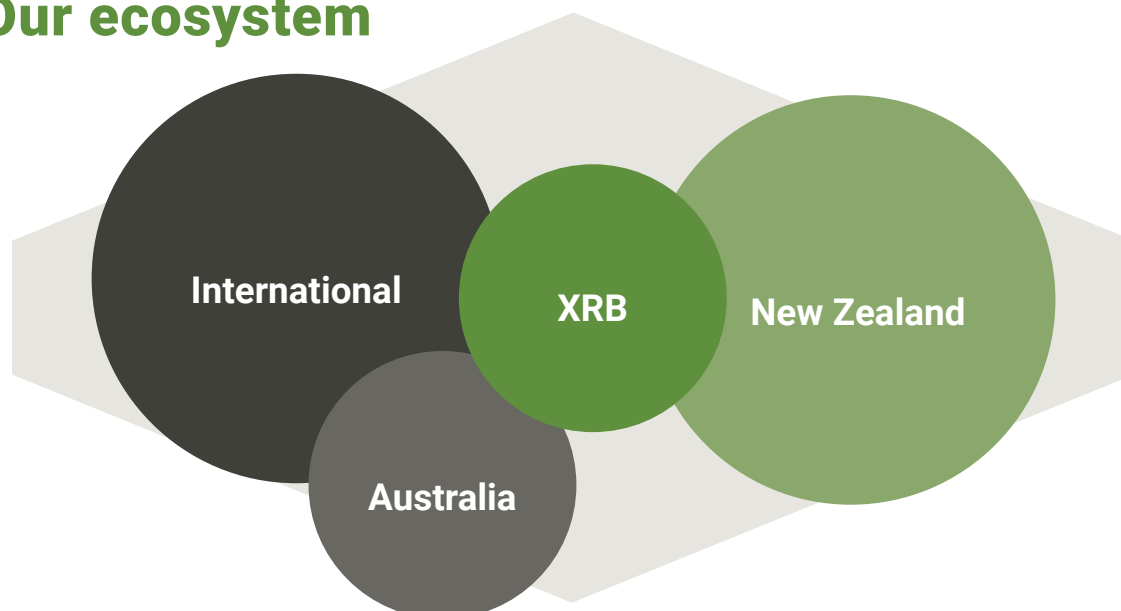
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<sup>1</sup> Subject to the requirements and expectations in the respective terms of reference for each board. These are available on our [website](#).

## 2.

## Our context

### Our ecosystem



### New Zealand stakeholders

Regulatory and other bodies	Information users	Information preparers	Audit and assurance practitioners
<ul style="list-style-type: none"> <li>Charities Services</li> <li>Commerce Commission</li> <li>Financial Markets Authority (FMA)</li> <li>Ministry of Business, Innovation and Employment (MBIE)</li> <li>NZX</li> <li>Office of the Auditor General (OAG)</li> <li>Professional bodies</li> <li>Reserve Bank of New Zealand (RBNZ)</li> </ul>	<ul style="list-style-type: none"> <li>Funders</li> <li>Investors, lenders and other creditors</li> <li>Parliament</li> <li>Public</li> </ul>	<ul style="list-style-type: none"> <li>Governance and management               <ul style="list-style-type: none"> <li>– For-profit organisations</li> <li>– Not-for-profit organisations</li> <li>– Public sector organisations</li> </ul> </li> <li>Accounting and other advisers</li> <li>Other third party preparers (eg bookkeepers)</li> </ul>	<ul style="list-style-type: none"> <li>Audit firms</li> <li>Other assurance practitioners</li> </ul>

### International standard-setting bodies

International	Australia
<ul style="list-style-type: none"> <li>International Accounting Standards Board (IASB)</li> <li>International Auditing and Assurance Standards Board (IAASB)</li> <li>International Ethics Standards Board for Accountants (IESBA)</li> <li>International Public Sector Accounting Standards Board (IPSASB)</li> <li>International Sustainability Standards Board (ISSB)</li> <li>National standard setters</li> </ul>	<ul style="list-style-type: none"> <li>Accounting Professional and Ethical Standards Board (APESB)</li> <li>Auditing and Assurance Standards Board (AUASB)</li> <li>Australian Accounting Standards Board (AASB)</li> <li>Financial Reporting Council (FRC)</li> </ul>

## The value of external reporting and assurance

High-quality external reporting:

- improves business and investment decision making
- reduces the cost of capital
- enables New Zealand entities to access international capital markets and participate in global trade
- improves public sector management
- promotes accountability and transparency

High-quality assurance increases trust and confidence in the reported information.

## Our strategic context

The global economy is experiencing significant and rapid geo-political shifts and uncertainties, with inflationary pressures.

The external reporting and assurance landscape also continues to change significantly. This has been most apparent in the growing investor and user demand for climate, sustainability and other non-financial information. There is also strong demand for investments that assist in efficient, sustainable resource allocation, and for reporting to provide accountability over outcomes. Assurance over the reported information enhances trust and confidence.

International and national standard setters are responding to this demand. Many other jurisdictions, including key trading partners of New Zealand, are introducing mandatory sustainability reporting, with mandatory assurance for these new reporting requirements. As experience with mandatory reporting grows, there has also been a clear drive towards simplification and targeting of reporting requirements. Reporting entities and the assurance profession have been rapidly upskilling to meet these new requirements.

International financial reporting standards have evolved and become more complex reflecting the fast-evolving nature of business arrangements, transactions and economic realities. There is a call for increased connectivity between what is reported from a financial reporting perspective and what is reported through climate and sustainability reporting.

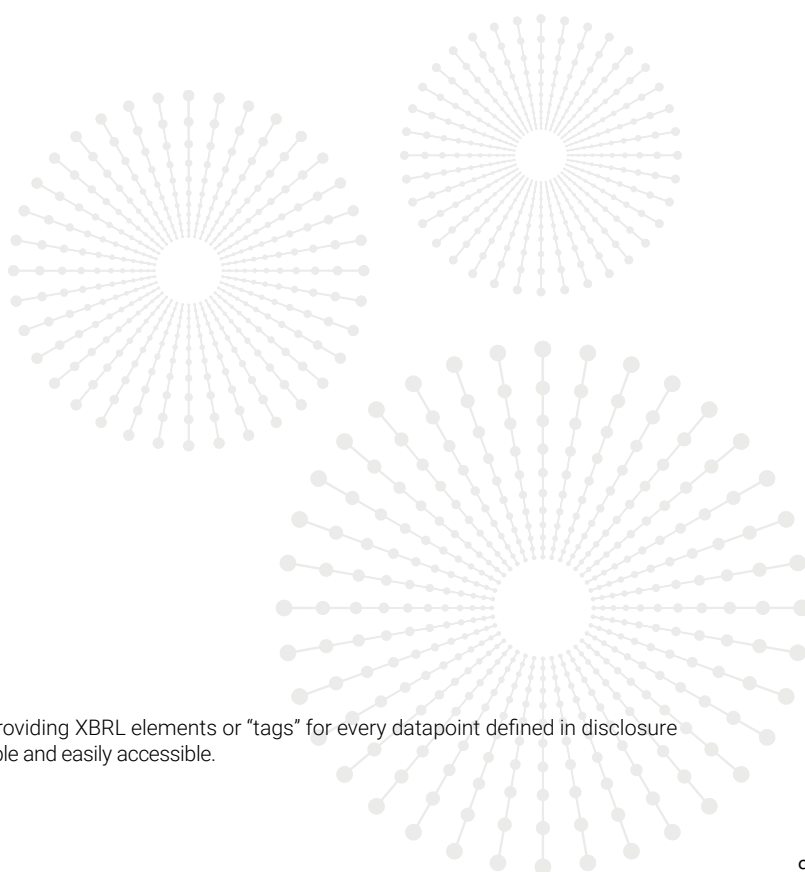
New and emerging technologies, such as AI, are fuelling these changes. Evolving technology is changing the reporting processes of entities and the way in which assurance engagements are performed.



Digital reporting is a key topic on the global external reporting agenda. In sustainability, digital information flowing up and down value chains is considered critical for effective reporting. In accounting, access to information in a digital form is becoming increasingly important for maintaining relevance in a global context to attract investment and capital. Internationally, many jurisdictions are investing in technology to facilitate digital reporting and standardise taxonomies. Assurance engagements on digital reporting tagging<sup>2</sup> is also emerging.

As a small open economy, New Zealand's external reporting and assurance system needs to be attuned and respond to our changing context. In all sectors of our economy, be it the for-profit, not-for-profit or public sectors, external reporting and assurance that enhance transparency and accountability and enable informed decision making will be vital.

The XRB is well placed to respond to the changing environment. We have strong, well-established relationships with our international counterparts and our domestic stakeholders. As a small organisation we are able to be agile and adapt to events at pace. This positions us well to play our part in maintaining trust and confidence in New Zealand's external reporting and assurance system during a time of disruption and uncertainty.



<sup>2</sup> XBRL taxonomies enable digital tagging by providing XBRL elements or “tags” for every datapoint defined in disclosure requirements to ensure data is machine-readable and easily accessible.

## 3.

## Our strategic framework

### Our purpose

Promoting trust and confidence, transparency and accountability through high-quality external reporting and assurance.

We do this by establishing and maintaining robust frameworks and standards that are internationally credible and relevant to New Zealand.

### The outcomes we seek



#### Trusted

Reporting and assurance that promotes confidence, transparency and accountability across all sectors of the economy



#### Informative

Reporting and assurance that generates relevant and useful information to support informed decision making



#### Integrated

Reporting that encompasses financial and non-financial information that supports good governance, stewardship and intergenerational wellbeing

### What we aim to achieve

Our ultimate objective is an external reporting and assurance system in New Zealand that enables sustainable economic growth, transparency, accountability and informed decision making through the provision of trusted, integrated information that meets users' needs.

We enable trust and confidence in the external reporting and assurance system by setting high-quality standards that are internationally credible and locally relevant.

### What we deliver

Reporting strategies and frameworks

Financial reporting standards

Climate standards

Auditing and assurance standards

### How we deliver

Our governance, people and ways of working

Our relationships and how we engage and influence

Our financial and physical resources and use of natural resources

### Our approach

- Open, engaging and transparent
- Agile and pragmatic
- Attuned to user needs, costs and benefits
- Responsive to changing global and local context

## 4.

## Our strategy and strategic priorities

### Our strategy

**Internationally aligned, locally relevant**

### Our strategic priorities



#### Fit for purpose

Ensure our reporting strategies, frameworks and standards remain fit for purpose through a focus on user needs, costs and benefits



#### Supporting adoption and implementation

Support the effective adoption and implementation of our standards



#### Integrated reporting

Continue the focus on integrated reporting, and coherence in sustainability reporting and assurance



#### Public benefit entities

Contribute to the evolution and enhancement of public benefit entity performance reporting and assurance

### Our strategy: Internationally aligned, locally relevant

Our underpinning strategy is to ensure that our accounting, auditing and assurance, and climate standards are informed by international standards and function effectively in the New Zealand context.

We recognise the importance of capital flows and global trade to the New Zealand economy. We aim to ensure that our standards are aligned with globally-recognised standards. This approach ensures the credibility of our standards, and the consistency, and comparability of financial and non-financial information across borders, fosters investor and user confidence and supports efficient capital markets.

Our tiered financial reporting framework<sup>3</sup> allows us to take a tailored approach to different sectors and sizes of entities to meet user needs and appropriately balance cost and benefit.

Our auditing and assurance standards enable mutual recognition of audits and build a more resilient audit market by having audit standards that are harmonised with standards used in other jurisdictions.

<sup>3</sup> See appendix 1

In sustainability reporting, the international landscape is evolving rapidly and often in divergent and unexpected ways. To remain internationally aligned and locally relevant, we are taking a dynamic, adaptive approach. This includes paying close attention to how other jurisdictions with close ties to New Zealand are approaching sustainability reporting. We are also prioritising international engagement on the development of global norms in sustainability reporting to aim to ensure they are as well-suited for the New Zealand context as possible.

## Our strategic priorities

### Fit for purpose strategies and standards



We want our reporting strategies, frameworks and standards to remain fit for purpose through a focus on user needs, costs and benefits.

## Our key areas of focus

### Better understanding user needs

The objective of external reporting is to provide financial and non-financial information about the reporting entity that will enable transparency, accountability and decision making on resource allocation.

The primary users of general-purpose financial reports of for-profit entities and climate reporting are existing and potential investors, lenders and other creditors who use the information to make decisions about providing resources to the entity. The primary users of the public benefit entities<sup>4</sup> general-purpose financial reporting are taxpayers, ratepayers, donors, grantors and lenders and service recipients, and their representatives, who use the reporting for accountability and resource-allocation decisions.

Over the SOI period, we will continue our focus to better understand user needs, taking a strategic and integrated approach across our portfolio of standards. We plan to leverage existing research, both in New Zealand and globally, on meeting evolving user needs and, where necessary, will commission research ourselves. This is in addition to our consultative due process which, at the level of individual standards, works to ensure the information and decision-making needs of users are reflected in our standards.

### Assessing costs and benefits

In developing standards, we seek to understand and balance cost and benefits. This is a key part of our due process in issuing standards.

<sup>4</sup> Public benefit entities are reporting entities whose primary objective is to provide goods or services for community or social benefit and where any equity has been provided with a view to supporting that primary objective rather than for a financial return to equity holders (External Reporting Board Standard A1). It includes public sector and not-for-profit reporting entities.

The external reporting and assurance landscape is changing rapidly, particularly in climate and sustainability reporting. Some jurisdictions are looking at simplifying climate reporting requirements for smaller entities to better balance cost and benefit outcomes, and there is an international focus on providing sustainability reporting metrics back up the value chain from small and medium-sized entities to larger entities.

In New Zealand, we operate a reduced disclosure regime for financial reporting to suit the different nature and size of entities. As part of our post-implementation review of our climate standards, we have been investigating international alignment and differential climate reporting for different sizes and classes of climate reporting entities, and in the coming year we plan to consult with stakeholders.

Over the SOI period, we will maintain our focus on assessing costs and benefits in our standard setting. We will review our approach and ensure it is fit for purpose and reflects good practice.

### **Reviewing our reporting frameworks and strategies**

In our changing context, it is important that our reporting frameworks remain fit for purpose and future focused.

In financial reporting, we want to ensure that our tiered and sector-based reporting framework remains effective. As a first step, we intend to research whether our financial reporting framework is meeting user needs. A targeted review of this framework was last undertaken in 2019, with the review confirming that it is generally operating as intended and that tiered reporting is ensuring a balance in costs and benefits of reporting. Since then, our standards have evolved and as we look towards the future, we are planning to review the applicability of the reporting regime for our reporting entities, specifically targeted at for-profit tier 2 entities. This includes research activities and consultations on whether user needs continue to be met.

In sustainability, we will be working to develop a sustainability reporting strategy and will also ensure our standard setting is responsive to any changes made to the climate-related disclosure framework as defined in the Financial Markets Conduct Act 2013.

### **Staying abreast of trends, risks and opportunities**

We gather considerable intelligence and information about the external reporting and assurance landscape through our international and domestic stakeholder engagement activities and research.

Over the period, we will ensure our approach to horizon scanning, intelligence gathering and analysis is fit for purpose. This means ensuring that our structured strategic planning processes enable us to proactively surface and test assumptions about the future, identify drivers of change, and respond to and inform our priorities.

We will continue to proactively consider emerging global and domestic trends and the risks and opportunities for external reporting and assurance, such as digital reporting, use of AI and other technologies.



## Supporting adoption and implementation



We want to support the effective adoption and implementation of our standards. We do this in many ways — influencing international standard setting, working with domestic stakeholders to ensure the local relevance of standards and providing guidance to assist with adoption and implementation.

### Our key areas of focus

#### Influencing international standard setting

Proactive international engagement allows us to build credibility and influence both the international standard-setting agenda and the standards as they are set. We seek opportunities to positively influence international standards so that the New Zealand context is well considered early in the development of standards.

We have a long-standing and close relationship with our Australian counterparts and a history of working together co-operatively. This is reflected in our protocol<sup>5</sup> and cross-appointments on the standard-setting boards in both countries.

The international landscape for sustainability reporting and assurance in particular is still in rapid development. There is some convergence on matters of concern (such as the basic framework for climate reporting), but global norms are still forming on many other foundational concepts.<sup>6</sup> This is unsurprising given its infancy and the interest in these topics from a wider set of stakeholders and a broader range of assurance practitioners.

During the SOI period we will keep abreast of key trends, developments and issues in financial and sustainability reporting and assurance. We will develop an international strategy to guide our decisions on what concepts and topics, where and how we can actively influence for the benefit of New Zealand stakeholders.

We plan to collaborate more closely with our Australian colleagues, such as through our recent joint appointment to the International Accounting Standards Board's Accounting Standards Advisory Forum.

#### Ensuring the local relevance of our standards

We ensure the local relevance of standards by engaging effectively with stakeholders who are impacted by our standards, to understand the domestic issues. This is a key element of our due process.

<sup>5</sup> [Protocol document XRB FRC 21 October 2019](#)

<sup>6</sup> Such as what information is deemed material, and which parts are subject to assurance.

We aim to maintain the excellence of our due process<sup>7</sup> in standard setting. We want due process to be agile and responsive, to ensure timely delivery, while enabling sufficient time for stakeholders to adjust and implement new requirements. Over the SOI period, we will look at new ways of engaging with stakeholders to ensure the effectiveness of the engagement processes.

### **Providing guidance and collaborating**

Providing guidance has been an increasing part of our work in recent times, particularly as it relates to new reporting and assurance topics, such as sustainability. We are seeing international and other national standard setters also do this. This reflects the increasing complexity of the world we live in, the changing nature of business models and transactions, coupled with the need to assist those adopting and implementing the standards to understand what is expected and good practice.

We will continue to focus on providing effective and timely guidance over the SOI period. We will ensure we understand what guidance might be most useful, and continue to investigate different ways in which we can collaborate with national regulators, professional bodies and others to ensure our standards are well understood and effectively implemented. We recognise the limits of our role in that we do not provide training and advice to reporting entities.

## **Sustainability and integrated reporting and assurance**



We aim to continue our focus on integrated reporting and achieving coherence in sustainability reporting and assurance.

### **Our key areas of focus**

#### **Sustainability reporting and assurance**

Sustainability reporting encompasses the work that we do in setting climate reporting standards, and guidance for the purposes of non-financial reporting.<sup>8</sup> The latter can encompass a wide sustainability remit, namely topics relating to an entity's governance; its strategic direction and targets; the social, environmental, and economic context in which it operates; or any other matter relating to its position or performance.<sup>9</sup> This can also be referred to as ESG (environmental, social and governance) reporting.

<sup>7</sup> Section 22 of the Financial Reporting Act 2013 requires the XRB to take reasonable steps to consult the persons who would be substantially affected by the issue of a standard, amendment or revocation. The XRB Board has a set of due process guidelines which must be followed. An explanation of our standard-setting process and due process guidelines can be accessed at [How are our standards set? » XRB](#)

<sup>8</sup> Climate reporting ensures the effects of climate change are routinely considered in business and investment decisions, while broader sustainability reporting enables entities to share the economic, environmental, social, and cultural impacts of their activities in a robust and meaningful way.

<sup>9</sup> See Section 19A of the Financial Reporting Act 2013.

During the SOI period we intend to consult on, and issue, a sustainability reporting strategy that will guide our future decisions relating to areas of focus in both climate reporting and wider non-financial reporting.<sup>10</sup> We also intend to pay particular attention to the connectivity between financial and non-financial reporting when developing this strategy.

As the reporting of non-financial information evolves, alongside advancements in methodologies and enabling systems, the data capture, information systems and processes necessary to facilitate an assurance engagement are also maturing. An increasingly diverse range of assurance practitioners are involved in assuring this information.

During the SOI period, we intend to engage with our New Zealand stakeholders to understand their assurance needs. We will explore assurance practices with a wide range of assurance practitioners to promote learning, and support the evolution of assurance practices. We will monitor developments and update the temporary approach to standard setting for greenhouse gas assurance<sup>11</sup> as appropriate, ensuring alignment with global best practices.

### **Integrated reporting**

Over recent years we have heard increasing demands for information beyond that provided by conventional financial reporting frameworks. This includes enabling entities to demonstrate how they are creating value for the benefit of their stakeholders and their intergenerational impact. This is in line with the broader international trends of ESG reporting.

For the XRB, integrated reporting means reporting that encompasses financial and non-financial information that supports good governance, stewardship and intergenerational wellbeing. Benefits for entities and users of their reporting include increased transparency, better information for decision making and the allocation of resources, attracting investment, and maintaining a social licence to operate.

During the SOI period, we intend to foster discussion and debate and generate thought-leadership on the current and emerging trends in integrated reporting, to ensure that New Zealand entities remain globally connected and relevant.

We also intend to continue our project, Ngā pou o te kawa ora. Through the project, we have developed a draft voluntary non-financial reporting framework, He Tauira. He Tauira is designed to guide entities to articulate the value of their activities and their long-term intergenerational impact. During the SOI period we intend to issue an updated version of He Tauira and to expand domestic and international awareness and uptake.

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<sup>10</sup> Service performance information is covered in the public benefit entity strategic priority on page 17.

<sup>11</sup> Currently in New Zealand, for entities in the climate-related disclosure regime, only greenhouse gas emissions disclosures require mandatory limited assurance, at a minimum. Some entities are voluntarily seeking reasonable assurance over broader climate and sustainability information.

## Public benefit entities



We want to contribute to the evolution and enhancement of public benefit entity performance reporting and assurance.

### Our key areas of focus

#### Public benefit entity performance reporting and assurance

Public benefit entities have aims and objectives that relate to serving their communities or the general public (or a section thereof). They seek to achieve these aims and objectives by using funds received from resource providers (for example, taxpayers, ratepayers, donors and grantors) to undertake activities for community or social benefit. Therefore, service performance information<sup>12</sup> is an important part of their general purpose financial reports. The XRB has a public benefit entity reporting standard on service performance reporting.<sup>13</sup>

We have heard about recent challenges in reporting service performance information and having it assured, particularly in the not-for-profit sector. We want to work with stakeholders to understand and address the challenges, issues and opportunities.

In the short term we intend to publish discussion papers to gather information to confirm our understanding of the challenges experienced in service performance reporting, and action we can take as a standard-setter to address the challenges. We will consider amendments and evolution of service performance reporting and assurance standards. We will also provide guidance materials and additional educational sessions to assist in implementation as needed.

#### Public sector performance reporting

Performance reporting is the main way that public sector entities explain to Parliament and the public how well they have used public money to deliver services and achieve outcomes. Performance reporting plays an important role in maintaining public trust and confidence in the public sector.

The Auditor-General has for some time expressed concern about the quality of public sector performance reporting, and the need for it to improve. Parliament's Finance and Expenditure Committee recently initiated an inquiry into performance reporting and public accountability.<sup>14</sup> As a standard setter with a focus on high-quality external reporting, we want to play our part in improving public sector performance reporting.

During the SOI period we will collaborate with stakeholders to deepen our understanding of the issues and opportunities relating to public sector reporting and the part we can play. We will develop a public sector reporting strategy that will guide our decisions on our areas of focus in public sector performance reporting. This includes how it relates to our broader thinking on sustainability reporting and integrated reporting. We will contribute to the Parliamentary inquiry into performance reporting and public accountability.

<sup>12</sup> Service performance information is information about what the entity has done during the reporting period in working towards its broader aims and objectives, together with supporting contextual information.

<sup>13</sup> Public Benefit Entity Financial Reporting Standard 48 (PBE FRS 48)

<sup>14</sup> The inquiry was initiated on 12 February 2025 [Inquiry into performance reporting and public accountability](#)

## 5.

## Assessing our performance

### Outcome performance

The outcomes we seek are subject to many external factors and influences. These include economic and financial conditions, policy and regulatory trends in major markets, the activities of international standard setters, and how the eco system of all those involved in reporting and assurance operates in practice, including reporting entities, audit and assurance practitioners, investors and regulators.

We use research and outcome indicators to assess our contribution to the achievement of these outcomes.

### Research

We undertake and use research on a range of topics to give us an understanding of our contribution to achieving desired outcomes.

Our work involves using knowledge gained through research, both in New Zealand and overseas, on reporting and assurance matters in relation to our standard-setting activities to inform our future priorities. We leverage existing and new research undertaken by others, and commission research ourselves.

We directly engage with our stakeholders, as part of our due process requirements, to gather evidence and information so that we develop evidence-informed standards. We also conduct post-implementation reviews to assess whether our standards are achieving the desired outcomes and objectives.

### Outcome indicators

Several external indicators and reports have a natural correlation to the outcomes we seek and will form part of our evaluation process. We use the various sources such as New Zealand's ranking in Transparency International's Global Corruption Perceptions Index, Financial Markets Authority Consumer Confidence Survey, Chartered Accountants Australia and New Zealand Investor Confidence Survey, and the Financial Markets Authority Audit Quality Monitoring Report.

We will investigate what ongoing regular research we can commission to provide insight into outcome performance over time.



## Stakeholder surveys

We use surveys as a method to measure our stakeholders' perceptions of our performance. In recent years, we have surveyed our broad stakeholder base annually but have, like other organisations, experienced reduced response rates due to survey fatigue. As a result, we are making changes to our approach going forward to ensure we get appropriate, regular and meaningful assessment of our performance.

We will undertake a stakeholder survey every three years of all our key stakeholder groups to get insight into stakeholder opinions and perceptions of organisational performance,<sup>15</sup> strengths and areas for improvement.

In the intervening years we will obtain annual direct feedback from the XRB Board's External Reporting Advisory Panel (XRAP)<sup>16</sup> about their perceptions of our performance, what we are doing well and what we can do better.

## Output performance

To measure output performance, we will undertake targeted annual surveys to measure satisfaction with the quality of our products and interactions in different areas.

Our output performance measures are set out in our annual Statement of Performance Expectations.

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<sup>15</sup> Such as advocacy or net promoter score measures.

<sup>16</sup> As part of its constituent engagement activities, the XRB Board has established an XRAP. This panel is a forum for the XRB Board and its technical boards to consult individuals and representatives of organisations affected by its work. The terms of reference for XRAP are available at [External Reporting Advisory Panel: Terms of Reference](#)

## 6.

## Our organisational health and capability

### How we will deliver



**Our governance,  
people and ways of working**



**Our relationships and  
how we engage and  
influence**



**Our financial and  
physical resources,  
and use of natural  
resources**

Effective and efficient management of the XRB's organisational health and capability is central to achieving our strategic objectives.

Our priorities over the next five years in relation to our organisational health and capability are set out below.



### **Our governance, people and ways of working**

#### **Governance**

Our governance arrangements are described on page 6.

As a Crown entity with statutory functions, we ensure that we maintain effective governance frameworks and processes and practices to meet our statutory obligations, and good governance practice.

Maintaining appropriate capability and expertise on our technical boards is a key and ongoing area of focus for us. We aim to ensure that the capability and expertise is fit for now and the future. We do this through maintaining an up-to-date skills matrix for each board, proactively considering gaps in expertise, and managing succession and transition.

#### **People and ways of working**

Our people underpin our success as an organisation. We strive to provide a caring and inclusive environment that provides equal opportunities for all. As such, we endorse and uphold the principles underlying employer legislation including fulfilling our duties as a good employer as required by the Crown Entities Act 2004.

Our key focus areas over the period will be:

- Developing organisational values so that our values and culture support the achievement of our strategic objectives
- Attracting, developing and retaining people, recognising that new or different capabilities and specialised skill sets will be required in the future. We will review our employee value proposition as we compete for talent
- Increasing our collaboration across teams, working across our different functions and adopting agile ways of working
- Continuing to develop and enhance professional development opportunities as part of our employee value proposition, to keep pace with technology and ensure we have the capability to execute our strategy and priorities
- Improving our workflow processes, and information management practices



## **Our relationships and how we engage and influence**

Building and maintaining strong, productive relationships with our stakeholders is fundamental to our success.

It is vital that we have strong relationships and networks both internationally and in New Zealand in the sectors for whom we set standards and the wider eco-system.

These relationships allow us to understand and monitor the external reporting and assurance landscape. Domestically, in conjunction with our due process requirements, these relationships underpin our work in setting standards, making changes to standards and/or issuing guidance to assist in adoption and implementation of standards.

The XRB Board's specialist advisory panel, [XRAP](#), will continue to be a key part of the Board's stakeholder engagement strategy. The panel provides feedback and guidance to the XRB Board and technical boards. The panel comprises experts and representatives of organisations impacted by our work and is a key part of our strategy to enhance meaningful engagement with different sectors.

Over the period, we intend to enhance our stakeholder engagement by taking a more strategic and structured approach. We will review and update our stakeholder engagement strategy, and ensure we have effective approaches and processes to give effect to the strategy.



## Our financial and physical resources and use of natural resources

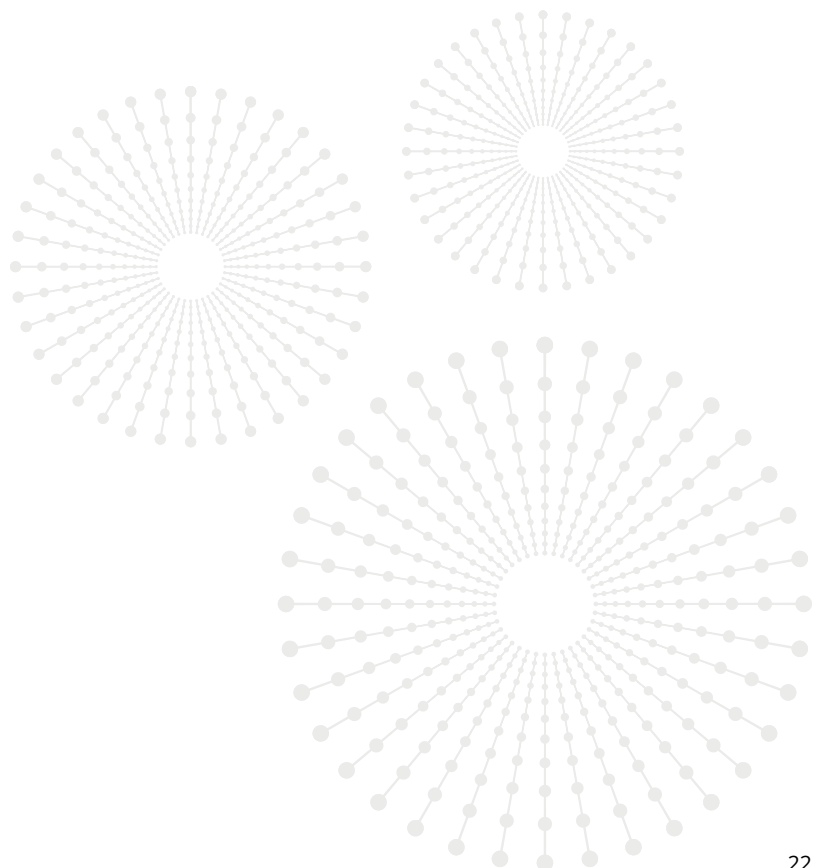
Prudent management of our financial resources within the parameters of our appropriation will continue. We will ensure our work remains focused on the delivering the greatest benefit with our resources.

Fiscal pressures are anticipated with an ongoing pipeline of projects to be delivered. We will manage these pressures through the use of retained earnings, and prioritise and make trade-offs to manage within our baseline funding.

We will focus on the continuous improvement of our financial systems and processes. The XRB does not expect to acquire shares or interests in companies, trusts or partnerships or joint ventures during the five-year period. No process is therefore required to be specified in accordance with section 100 of the Crown Entities Act 2004.

Our digital strategy will focus on improving experiences for our external stakeholders and for our people, and our work processes. We will investigate and invest in technology tools that enhance productivity and efficiency, such as AI. This will include enhancements of our website, our document management system, and the user accessibility of the standards we issue as secondary legislation, and tools that enable us to efficiently manage our stakeholder engagement processes.

We will look for opportunities to minimise our impact on the environment whilst recognising that international travel is a key part of ensuring New Zealand's influence globally. We will understand our use of natural resources by measuring and reporting our greenhouse gas emissions.



# Appendix 1: Tiered reporting

## For-profit entities

Tier	Entity type	Standards
Tier 1	Has public accountability or is a large for-profit public sector entity with total expenses > \$30 million	NZ IFRS
Tier 2	Has no public accountability and is not a large for-profit public sector entity with total expenses <\$30 million and elects to be in Tier 2	NZ IFRS Reduced Disclosure Regime (NZ IFRS RDR)

## Public benefit entities (both not-for-profit and public sector entities)

Tier	Entity type	Standards
Tier 1	Has public accountability or is a large PBE with total expenses > \$33 million	PBE Standards
Tier 2	Has no public accountability, is not large, has total expenses < \$33 million but > \$5 million, and that elects to be in Tier 2	PBE Standards Reduced Disclosure Regime (PBE Standards RDR)
Tier 3	Has no public accountability and has total expenses < \$5 million, that elects to be in Tier 3	Reporting Requirements for Tier 3 Entities (Tier 3 Standard)
Tier 4	Has no public accountability and is allowed by law to use cash accounting, that elects to be in Tier 4	Reporting Requirements for Tier 4 Entities (Tier 4 Standard)