

Proposed 2025 Amendments to Climate and Assurance Standards

Survey response 6

Company Name

ANZ Bank NZ Limited

Should AP 4, AP 5, AP 7 and AP 8, which relate to the disclosure and assurance of scope 3 GHG emissions, be extended?

Yes - By two years (the XRB's proposal)

Please give a reason for your answer

We support the extension of AP4, AP5, AP7, and AP8 for an additional two reporting periods for the following reasons. **Financed Emissions** • International requirements relating to scope 3 financed emission disclosures are still evolving. We are aware that the International Sustainability Standards Board (ISSB) and Australian Accounting Standards Board (AASB) are consulting on excluding facilitated emissions and derivatives from scope 3 reporting. It would make sense that the New Zealand Climate Standards (NZ CS) are similarly aligned. We follow the PCAF standard for calculating financed emissions and note that they have yet to issue a methodology for calculating financed emissions related to derivatives. • The interpretation and application of the PCAF standard to all financed emission sources is still evolving, underscoring the need for additional time to ensure accurate and consistent reporting. • The calculation of Scope 3 financed emissions is highly complex, and we have not yet disclosed our full Scope 3 financed emissions due to ongoing efforts with our parent entity to develop consistent methodologies (e.g. customer scope 3 emissions) and determine PCAF's scope for certain emission sources (e.g. investments). • The extension in timing would provide significant less risk of duplication and greater efficiency as it would provide the option to report on the same timing as our Australian parent. **Operational Emissions (excluding financed emissions)** There remains a significant amount of work required to complete a full Scope 3 inventory for ANZ NZ's operational emissions (excluding financed emissions). A considerable amount of effort will be involved in capturing and consistently reporting on our remaining sources, particularly purchased goods and services, which involve a wide array of suppliers and categories. We rely on our parent entity's support to compile this data, and progressing ahead of their timeline (mandated by AASB S2) presents challenges. An extension in timing would provide significant less risk of duplication and greater efficiency as it would provide the option to report on the same timing as our Australian parent.

Should AP 2, which relates to anticipated financial impacts, be extended?

Yes - By two years (the XRB's proposal)

Please give a reason for your answer

We support extending AP2 by two additional reporting periods for the following reasons. There remains significant uncertainty around what constitutes appropriate disclosure of anticipated financial impacts under NZ CS. International guidance in this area is still developing, and allowing additional time will support the refinement of NZ CS in alignment with global best practices, while also enabling the emergence of more internationally informed approaches to appropriate disclosure. This extension would also provide greater opportunity for us to collaborate closely with our parent entity in a coordinated and deliberate manner, ensuring the development of robust and well-considered reporting in this area.

Any other comments

a) We consider that this is the right time to begin transitioning from NZ CS to ISSB standards to ensure the objectives of international comparability and stakeholder expectations are met. ANZ NZ strongly supports New Zealand's adoption of IFRS S2 Climate-related Disclosures, considering the amendments introduced in AASB S2 Climate-related Disclosures and the disclosure requirements set out in Australian primary legislation. International alignment of NZ CS would eliminate the unnecessary regulatory burden for entities like ANZ NZ, whose parent company operates under a different climate reporting framework. Aligning with ISSB standards would streamline compliance and reduce duplication of reporting requirements for ANZ NZ. b) We would prefer that the XRB does not issue additional guidance material relating to the Climate Standards. Whilst we acknowledge the aim of the additional guidance is to be helpful, the material inadvertently results in additional local requirements and inconsistencies with other international regulators.