

## RIAA conference Aotearoa NZ 2025

### Wendy Venter speech

#### Climate reporting: Navigating the changing seas

Date: Thursday 18 September 2025

Venue: Aotea Centre, Auckland

1. Tēnā koutou katoa. Ko Wendy Venter toku ingoa. I am the Chief Executive of the External Reporting Board, or the ‘XRB’ as you may be more used to calling us. It’s a pleasure to be here with you today.
2. For those of you who don’t know who the XRB is, we are a Crown Entity whose role is to set external reporting strategies and frameworks and issue financial reporting, climate, and audit and assurance standards.
3. We set financial reporting standards across all sectors of the economy—private, public, and not-for-profit. That includes approximately 700,000 for-profit entities, 24,000 incorporated societies, and all central and local government entities. About 170 climate reporting entities report under our climate standards. We also set auditing and assurance standards, and professional and ethical standards for assurance practitioners.
4. The standards we issue are secondary legislation and we are required by law to consult affected parties before issuing standards. This is essential to good standard-setting so effective engagement with stakeholders like you is very important to us.

5. And what don't we do? We don't decide who must apply our standards and why—that's set out in legislation. And we don't monitor or enforce our standards—those responsibilities sit with regulators such as the Financial Markets Authority.
6. While this may seem like a relatively stable and behind the scenes task, the world of climate and sustainability reporting is fundamentally changing external reporting, here and around the world. We are navigating changing seas.
7. The sea metaphor resonates with me because I grew up in landlocked Delhi in India. When I moved to New Zealand as an adult, I soon learned to love the ocean and became fascinated by the skill of the surfers I saw. Inspired, I tried my hand at surfing for a few years.
8. But I soon learnt that while the easy bit was standing up on a surfboard (in my case not too gracefully!), the real skill was reading the ocean and its changes, and picking the right places and the right waves. In other words, understanding and navigating the sea.
9. Over the next few minutes, I'll talk about our recently refreshed strategy and strategic priorities that particularly relate to climate reporting.
10. But first, what do we aim to achieve? Our aim is to enable trust and confidence in external reporting and assurance by setting high-quality standards. Our ultimate goal is a reporting and assurance system that supports sustainable economic growth, transparency, accountability, and informed decision making through trusted, integrated information that meets user needs.
11. To achieve this goal, our strategy as set out in our recently refreshed Statement of Intent, is to be internationally aligned and locally relevant. Why is this the right strategy and what does this mean in practice?
12. We know how important capital flows and global trade are to the New Zealand economy. Alignment with globally-recognised standards ensures the credibility of

our standards and reporting, and enables consistency and comparability of financial and non-financial information across borders. This fosters investor and user confidence and supports efficient capital markets. We also know our standards need to function effectively in the New Zealand context.

13. To achieve international alignment, we proactively engage with international and other national standard-setters to understand and influence global norms and so that the New Zealand context is well considered early in the development of international standards. We work particularly closely with our Australian counterparts and have cross-appointments on each other's boards. We also support New Zealand members on international standard-setting bodies.
14. International alignment on climate reporting however is no easy feat. Accounting and financial reporting has evolved over centuries, and the international alignment of our financial reporting and assurance standards are well established and long-standing. In contrast, sustainability, and especially climate reporting is relatively new. The recently formed International Sustainability Standards Board published its climate and general sustainability standards in June 2023. As of last month, we understand that 37 countries have either decided to, or are undergoing decision-making processes about, adopting the ISSB's standards.
15. I know that many of you in this room will also be aware of the European Union's current omnibus work to simplify their sustainability reporting requirements and standards, as well as decisions by jurisdictions such as Canada and Singapore to either indefinitely pause or substantially reduce the scope of their ISSB-aligned mandatory climate reporting regimes. Others such as California and China continue to move ahead with their requirements or developing their standards.
16. The waves are shifting in front of our eyes.
17. So what does that mean for the work we do going forward in climate reporting?

18. One of our strategic priorities is to ensure our standards are fit for purpose.
19. We keep the legislative purpose of the climate reporting front and centre. Does it help climate reporting entities to understand the risks and opportunities that climate change presents to their activities, how they are going to deal with them and for investors and other users to assess the merits of the information? Our work is grounded in a focus on user needs, costs and benefits. What is efficient, effective and useful information?
20. When we heard last year that some entities were facing challenges around the reliability of available data, and significant cost, we responded by allowing more time for entities to disclose their scope 3 greenhouse gas emissions and have them assured.
21. We also recently consulted on international alignment of climate standards so we understood what stakeholders are looking for going forward now that we have international standards. The three clear headlines of what we heard were:
22. One: International alignment is important. Many submitters want New Zealand Climate Standards to be aligned with international frameworks, particularly IFRS S2 Climate-related Disclosures and the ISSB-aligned Australian Climate-related Disclosures standard.
23. Two: The need for stability and a phased approach to change was emphasised by many submitters to avoid frequent disruptions and increased compliance burdens.
24. Three: There is strong support for mutual [or unilateral] recognition of climate standards, climate reports or both, particularly between New Zealand and Australia.
25. And we also recently published a consultation document proposing further relief by delaying the reporting and assurance of Scope 3 GHG emissions and

disclosure of anticipated financial impacts by another two years. This is because we have heard that scope 3 emissions reporting continues to be a challenge for climate reporting entities. Please do respond to this consultation as it closes next week.

26. Setting fit-for-purpose standards is only part of the process. **Another strategic priority is to support the adoption and implementation of our standards.**
27. We are seeing standard setters around the world increasingly develop more guidance to support implementation, especially on climate. For example, we recently hosted Sue Lloyd, Vice-Chair of the ISSB in New Zealand and she told us that the ISSB is prioritising work on implementing and improving existing standards, supporting understanding and capacity building. This shows that the learning curve we are experiencing is not unique to New Zealand.
28. It is reasonable to expect us to help the market understand the intent and provide practical tools to support implementation. We have provided a range of guidance to date and will continue to do this. We appreciate your help in identifying guidance needs.
29. Finally, and importantly, what can you expect from us? We sum up the approach we intend to take to all our work in our recent Statement of Intent • attuned to user needs, costs and benefits • agile and pragmatic • responsive to changing global and local context • open, engaging and transparent. I expect all these aspects will be to the fore in our future work on climate reporting.
30. As I wrap up, **I want to say thank you for your engagement to date.** Effective engagement with the people who use the information required by our standards and our standards is key to good standard-setting.
31. We are grateful for the insights we've received from many of you in this room, and we look forward to continuing the conversation. Your feedback has already helped

shape our thinking – we have valued the insights from RIAA working groups as well as your direct feedback to our consultations.

32. Thank you again for having me here today.

33. I look forward to your questions.