

# Sustainability Reporting Board

## MEETING PACK

for

**SRB Meeting - 14 Apr 2026 (Public papers)**

Tuesday, 14 April 2026

9:22 am (NZST)

Held at:

Precinct Flex

Level 10, 11 Britomart Place, Auckland

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# AGENDA

## SRB MEETING - 14 APR 2026 (PUBLIC PAPERS)

<b>Name:</b>	Sustainability Reporting Board
<b>Date:</b>	Tuesday, 14 April 2026
<b>Time:</b>	9:22 am to 4:53 pm (NZST)
<b>Location:</b>	Precinct Flex, Level 10, 11 Britomart Place, Auckland <a href="https://teams.microsoft.com/l/meetup-join/19%3ameeting_YjE4MjBiMTQtODNhMy00MjliLTliODQtYjIhZjZkZmFkYThm%40thread.v2/0?context=%7b%22id%22%3a%2253996152-4561-4986-a4e9-e98f4cb07127%22%2c%22oid%22%3a%220e56d83f-7bf0-4dfe-b7fa-bc5b95e334ff%22%7d">https://teams.microsoft.com/l/meetup-join/19%3ameeting_YjE4MjBiMTQtODNhMy00MjliLTliODQtYjIhZjZkZmFkYThm%40thread.v2/0?context=%7b%22id%22%3a%2253996152-4561-4986-a4e9-e98f4cb07127%22%2c%22oid%22%3a%220e56d83f-7bf0-4dfe-b7fa-bc5b95e334ff%22%7d</a> <b>Remote Meeting only</b> - Please join this meeting via the link above.
<b>Committee Members:</b>	Carolyn Mortland, Becky Lloyd (Committee Chair), Alec Tang, Alison Howard, Jackie Cheyne, Joe Hanita, Mathew Nelson
<b>Attendees:</b>	Dr Amelia Sharman, Geoff Connor, Judy Ryan, Lisa Kelsey, Michael van Zijl, Rikki Owen, Wendy Venter

1. Opening meeting (non-public)
2. Private agenda item
3. Private agenda item
4. Private agenda item

**4.1 Approval of minutes** 9:22 am (2 min)

Becky Lloyd

**For Decision**

Supporting Documents:

4.1.a Minutes : SRB Meeting - 25 Feb 2026 (Public papers) - 25 Feb 2026	6
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**4.2 Private item** 9:24 am (4 min)

5. Updates (public)

**5.1 Chair update** 9:28 am (15 min)

Becky Lloyd

**For Noting**

**5.2 Board members' environmental update, including Australia update** 9:43 am (45 min)

Becky Lloyd

## For Discussion

Board environmental scan highlighting key matters, current issues and emerging trends relevant for SRB.

### 5.3 International monitoring

10:28 am (15 min)

Lisa Kelsey

#### For Noting

Including the GHG Protocol and ISSB Nature-related Disclosures.

Supporting Documents:

5.3.a	International monitoring.pdf	10
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### 5.4 Documents open for comment

10:43 am (15 min)

Judy Ryan

#### For Decision

Supporting Documents:

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### 5.5 MORNING TEA BREAK

10:58 am (20 min)

### 6. Private agenda item

#### 6.1 Private item

11:18 am (65 min)

### 7. Private agenda item

#### 7.1 Private item

12:23 pm (80 min)

### 8. Private agenda item

#### 8.1 Private item

1:43 pm (130 min)

### 9. Standard setting (public)

#### 9.1 Scope 3 alignment of NZ CS

3:53 pm (60 min)

Judy Ryan, Lisa Kelsey

#### For Decision

Supporting Documents:

9.1.a	Memo - Proposed amends to NZ CS 1 2026.pdf	28
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9.1.b	Consultation document - Proposed amendments to NZ CS 1 2026.pdf	32
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9.1.c	Exposure draft - Amendments to NZ CS 1 2026.pdf	43
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## 10. Close and Karakia

### 10.1 Close & karakia

4:53 pm (5 min)

### 10.2 Next meeting

**Next meeting:** SRB Meeting - 10 Jun 2026 - 10 Jun 2026, 9:00 am

# MINUTES (in Review)

## SRB MEETING - 25 FEB 2026 (PUBLIC PAPERS)

<b>Name:</b>	Sustainability Reporting Board
<b>Date:</b>	Wednesday, 25 February 2026
<b>Time:</b>	9:22 am to 4:15 pm (NZDT)
<b>Location:</b>	XRB Boardroom, Level 6, 154 Featherston Street, Wellington
<b>Committee Members:</b>	Carolyn Mortland, Becky Lloyd (Committee Chair), Alec Tang, Alison Howard, Jackie Cheyne, Joe Hanita, Mathew Nelson
<b>Attendees:</b>	Dr Amelia Sharman, Geoff Connor, Judy Ryan, Lisa Kelsey, Nicola van Rooijen, Michael van Zijl, Rikki Owen, Wendy Venter

1. Private agenda item
2. Private agenda item
3. Private agenda item
4. Private agenda item

### 4.1 Approval of minutes

**SRB Meeting - 31 Oct 2025 (PUBLIC PAPERS) 31 Oct 2025**, the minutes were confirmed as presented.

## 5. Updates (public)

### 5.1 Chair update

The Board NOTED an update from Becky Lloyd, Chair.

She highlighted the following points:

- The issue in November 2025 of the amending standard, which amended NZ CS 2 *Adoption of Aotearoa New Zealand Climate Standards*, to extend the adoption provisions in relation to scope 3 GHG emissions and anticipated financial impacts.
- In November 2025, our comment letter was submitted to ISSB on its exposure draft *Enhancing the SASB Standards*.
- In December 2025, our comment letter was submitted to the GHG Protocol in December 2025 on its two public consultations: one focusing on updates to the Scope 2 Guidance (2015) which addresses inventory accounting, and one on consequential accounting methods for estimating avoided emissions from electricity-sector actions.
- In early February, the GHG Protocol also responded to our feedback about their consultation process (see communications register – agenda item 4.3 b).

## 5.2 Board members' environmental update

The Board DISCUSSED current issues & emerging trends. Discussions included:

- *Financial quantification, value and “making it real”* – Discussion of challenges of quantification, while noting some director appetite for quantified financial impacts and practical “how-to”, especially in Australia; Importance of focusing on value drivers and the cost of inaction. Noted that in some quarters “what’s the value of sustainability?” narrative may be returning; directors want to get on with it and understand the usefulness of reporting.
- *Scenarios, storytelling and the ‘why’* – Local government sector scenarios have been issued but public sector entities are under immediate operational pressure and are not yet applying the scenarios. Noted opportunity to anchor sustainability as a basic business case (saving money).
- *Growth, limits and strategic direction* – Boards are wrestling with how to grow in tougher conditions; can’t assume a return to “easy growth” given business and planetary limits.
- *Australia context and reporting mindset* – Australia feels different to the US/Europe right now; climate action isn’t being treated as something to step back from, and reporting is front of mind for corporates.
- *Physical risk and asset vulnerability (now, not later)* – Recent weather has sharpened attention on physical risk; some boards accepting these impacts are already happening and understand asset vulnerability.
- *Economic backdrop, funding and pace of action* – Economic conditions continue to be challenging, impacting climate action and funding for multi-year work.
- *Embedding sustainability and accountability* – Noted some questions about whether dedicated sustainability teams are needed if sustainability is truly embedded with. Delivery accountability sits with business managers.
- *Hard transition choices (fisheries/forestry examples)* – Points to decisions like not using full fishing quota due to biomass concerns and needing to clearly communicate opportunity costs and trade-offs (now vs long term). Similar discussions in forestry (e.g., long-term land retirement) and the need to start transition conversations early to unwind long contracts over decades.
- *Data quality, asset level detail and targets* – Challenges around transition planning, particular for businesses with large asset bases. Opportunity for more sector collaboration around data sets and asset transition.
- *Nature framing* – Noted that nature continues to be a key business input and dependency.

## 5.3 International monitoring

The Board NOTED the update on international and jurisdictional monitoring.

### **ACTION: 260225\_2 - Add Nature-related Disclosures to the next meeting's agenda**

Allocate some time at the next meeting for a discussion on the ISSB Nature-related Disclosures (formally known as Biodiversity, Ecosystems and Ecosystem Services (BEES)) standard setting project.

## 5.4 Documents open for comment

The Board AGREED to provide comments on Specific Matter for Comment 3 in the IPSASB Work Program consultation, which concerns the prioritisation of sustainability reporting projects.

The Board DISCUSSED the list of potential sustainability and other reporting projects prepared by IPSASB staff. The Board also AGREED that the Chair and Board member Alison Howard would be responsible for finalising the exact wording of their response to the consultation

The Board AGREED not to comment on the GSSB Work Program or other open GSSB consultations. The Board asked staff to CONSIDER whether a formal letter should be sent to the GSSB, strongly encouraging continued collaboration with the ISSB in its standard-setting work. The Board also AGREED that, if such a letter is prepared, it should be delegated to the Chair.

The Board NOTED the forthcoming exposure drafts from the ISSB and the GSSB.

#### **ACTION: 260225\_3 - Staff to consider a letter to GSSB**

The Board asked staff to CONSIDER whether a formal letter should be sent to the GSSB, strongly encouraging continued collaboration with the ISSB in its standard-setting work.

### **5.5 Guidance update**

The Board NOTED the update on XRB staff guidance on the following topics:

- Anticipated financial impacts.
- Materiality and restatements for GHG emissions disclosures.

### **5.6 Non-public items**

6. Private agenda item

7. Private agenda item

8. Private agenda item

9. Standard setting (public)

### **9.1 Scope 3 alignment of NZ CS**

The Board:

- The Board NOTED the SRB's recommendation to the ISSB for transitional relief (not permanent exclusions) for Scope 3 Category 15 emissions (derivatives, facilitated and insurance-associated emissions), and NOTED that the ISSB did not adopt this recommendation when finalising the amendments. Board member, Alison Howard requested that the minutes record her disappointment that the ISSB did not take up the Board's recommendation.
- AGREED to propose targeted amendments to NZ CS 1 to align scope 3 GHG emissions disclosure requirements with the recent amendments issued by both the ISSB and AASB.
- AGREED to propose making targeted amendments to NZ CS 1 by permitting an entity to exclude the following sources from its scope 3 GHG emissions disclosure:
  - emissions attributable to derivatives
  - emissions attributable to insurance and reinsurance and underwriting activities
  - emissions attributable to capital market issuance activities
- AGREED to propose making the amendments via the addition of mandatory application material to NZ CS 1.

- AGREED to propose including content from the existing staff guidance *Excluding GHG emissions sources — Considerations for preparers* in the mandatory application material.
- AGREED to issue the proposed amendments for consultation at the same time as the climate reporting roadmap consultation (i.e. by 30 June 2026).
- AGREED with the proposed project timeline, including a one-month consultation period.

The Board NOTED it will consider an exposure draft of the amending standard for approval at its meeting on 14 April 2026.

## 10. Close and Karakia

### 10.1 Close & karakia

### 10.2 Next meeting

**Next meeting:** SRB Meeting - 14 Apr 2026 - 14 Apr 2026, 9:00 am

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_



## Memorandum

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**To:** SRB Members

**Meeting date:** 14 April 2026

**Subject:** **Update on international and jurisdictional monitoring**

**Date:** 2 April 2026

**Prepared by:** Sustainability Team

**Through:** Amelia Sharman

Action Required

For Information Purposes Only

### Purpose and introduction<sup>1</sup>

1. The purpose of this paper is to provide the Board with an update of our international and jurisdictional monitoring.
2. This paper covers the period from 14 February to 2 April 2026.

### Recommendations

3. The Board is asked to NOTE this update.

### Structure of this memo

4. The remaining sections in this memo are:

[AASB](#)

[ASIC](#)

[ISSB](#)

[IPSASB](#)

[ISO and GHG Protocol](#)

[PCAF](#)

[European Commission](#)

[EFRAG SRB](#)

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<sup>1</sup> This memo refers to the work of the International Sustainability Standards Board (ISSB) and uses registered trademarks of the IFRS Foundation (for example, IFRS<sup>®</sup> Sustainability Disclosure Standards, and ISSB<sup>®</sup> papers).

[GRI's GSSB](#)

[CDP](#)

[Capitals Coalition](#)

[ITPN](#)

[TISFD](#)

[Jurisdictional updates](#)

## **AASB**

### **AASB meetings**

5. The AASB met on the 19 March 2026, there were no sustainability reporting items on the agenda.

### **Australia appointed to the ISSB's Sustainability Standards Advisory Forum**

6. On the 18 March 2026, the AASB announced it has been appointed to the [Sustainability Standards Advisory Forum \(SSAF\)](#) — a global advisory body established by the IFRS Foundation to support the International Sustainability Standards Board (ISSB) in developing a comprehensive global baseline for sustainability related disclosure for capital markets.

### **The AASB is hosting a one day, in-person workshop on understanding the foundations of AASB S2**

7. The AASB, in partnership with the IFRS Foundation, is hosting a one day, [in-person workshop](#) on 4 May 2026 to support preparers applying AASB S2 Climate-related Disclosures. The workshop introduces the core concepts of Australia's climate reporting regime, including how to identify climate-related risks and opportunities and determining what information is material. Designed for preparers in the early stages of their climate reporting journey, this session will build foundational knowledge and confidence to meet the requirements of AASB S2. The workshop will be facilitated by Sue Lloyd, Vice Chair, ISSB.

### **New AASB S2 educational material — Climate-related risks and opportunities and the disclosure of material information**

8. The AASB has published educational material — [Climate-related risks and opportunities and the disclosure of material information](#) to help entities identify and disclose material information about climate-related risks and opportunities.
9. The educational material is broadly consistent with the educational material — [Sustainability-related risks and opportunities and the disclosure of material information](#) issued by the ISSB in November 2024. While both documents are broadly consistent in their underlying concepts (primary users; “omitting, misstating or obscuring”; four-step process), the ISSB material is the more useful reference for cross-framework discussions (ISSB-ESRS/GRI interoperability and broader sustainability topics), whereas the AASB material is most useful as an example of jurisdictional implementation support focused on climate and shaped by local legal and regulatory requirements.

## ASIC

### ASIC continues to release its e-learning modules

10. ASIC has continued to release its [e-learning modules](#) to help entities understand and apply the foundational concepts behind the sustainability reporting requirements in the *Corporations Act 2001*.

## ISSB

### Nature-related Disclosures (formerly Biodiversity, Ecosystems and Ecosystem Services (BEES))

11. At its meeting on the 25 of February the Board noted it would like to spend some time discussing the ISSB's Nature-related Disclosure standard-setting project. This section provides details of tentative decisions made by the ISSB at its last two meetings, Links are also provided to the agenda papers and the ISSB podcasts should Board members want additional information.

12. The next milestone for this project is the issue of an exposure draft, expected in H2 2026.

#### ***ISSB meeting 25 – 26 February 2026 (Listen to the ISSB February Podcast [here](#))***

13. The ISSB met on 25 February 2026 to discuss:
  - (a) terms and concepts essential to clarifying the scope of standard-setting ([Agenda paper 3A](#));
  - (b) the title of the standard-setting project; and
  - (c) information on the connections between climate- and nature-related risks and opportunities ([Agenda paper 3B](#)).
14. On essential terms and concepts, ISSB staff recommended that a set of terms and concepts be treated as essential for clarifying scope, supporting understandability and improving comparability in the prospective exposure draft. Subject to further discussion, the ISSB tentatively decided to include in the exposure draft:
  - (a) the terms 'nature-related risks', 'nature-related opportunities', 'nature', 'ecosystems' and 'ecosystem services';
  - (b) the concept of 'environmental assets' (with revised wording);
  - (c) the term 'nature-related physical risks' (11/12)<sup>2</sup>; and
  - (d) the term 'nature-related transition risks' (10/12).
15. Subject to further discussion, the ISSB also tentatively decided:
  - (a) to describe the terms 'dependencies on nature', 'impacts on nature', 'nature' and 'ecosystems' (11/12);
  - (b) to define the term 'ecosystem services' (9/12);
  - (c) to define the concept of 'environmental assets' (with revised wording) (9/12); and
  - (d) to define the terms 'nature-related risks', 'nature-related physical risks', 'nature-related transition risks' and 'nature-related opportunities' (8/12).

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<sup>2</sup> Number of ISSB members who agreed with the decision, if not noted all 12 members agreed with the decision.

16. The ISSB also decided to change the project title to ‘Nature-related Disclosures’.
17. The ISSB discussed whether to provide additional guidance on nature-related disclosures but not the form such guidance would take. It tentatively decided:
  - (a) to provide additional guidance to support the application of the requirement for connected information in paragraph 21 of *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information to nature-related disclosures*—in particular, to information about connections, trade-offs and co-benefits between climate-related and nature-related risks and opportunities (9/12); and
  - (b) to focus this guidance on information about the effects of climate–nature connections on an entity’s strategy and risk management that the entity would need to provide to meet the requirements in paragraphs 28 and 43 of IFRS S1 (9/12).

***ISSB meeting 25 – 26 March 2026 (Listen to the ISSB March Podcast [here](#))***

18. The ISSB met on 26 March 2026 to discuss:
  - (a) nature-related metrics ([Agenda Paper 3A](#));
  - (b) information on nature-related transition ([Agenda Paper 3B](#));
  - (c) illustrative drafting of incremental requirements and guidance on strategy and decision-making ([Agenda Paper 3C](#)); and
  - (d) information on nature-related targets and consideration of international agreements and related jurisdictional commitments ([Agenda Paper 3D](#)).
19. In relation to nature-related metrics, the ISSB tentatively decided:
  - (a) to specify that, in disclosing metrics on nature-related risks and opportunities, an entity:
    - i. is required to apply paragraphs 57 and 58(a) of *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information*, including the requirement to refer to and consider the applicability of metrics associated with the disclosure topics in the SASB Standards; and
    - ii. is permitted to refer to and consider the applicability of other sources of guidance as set out in paragraph 58(b)–(c) of IFRS S1; and
  - (b) to consider what cross-industry metrics, if any, to require an entity to disclose within the identified information areas for this project, but to do no further work on cross-industry metrics beyond those areas at this time.
20. In relation to information on nature-related transition, the ISSB tentatively decided to provide incremental requirements and guidance for disclosing information on the effects of nature-related risks and opportunities on an entity’s strategy and decision making, including information about an entity’s response, and plans to respond, to nature-related risks and opportunities, regardless of whether these actions form part of a transition plan (11/12).
21. The requirements and guidance will be specific to nature-related risks and opportunities and incremental relative to the general requirements and guidance in IFRS S1.
22. The ISSB discussed illustrative drafting of incremental requirements and guidance for disclosing information that enables users of general purpose financial reports to understand the effects of

an entity's nature-related risks and opportunities on its strategy and decision-making. The ISSB decided to use the illustrative drafting, subject to feedback provided by ISSB members, as a basis for the development of proposals in the exposure draft (8/12).

23. Regarding the disclosure of information on nature-related targets, the ISSB tentatively decided:
- (a) to provide incremental guidance on (9/12):
    - i. the breadth of what nature-related targets could relate to (for example, land, freshwater and ocean use change and pollution reduction); and
    - ii. the disclosure of location-specific information associated with nature-related targets and their objectives and
  - (b) to set out an incremental requirement for an entity to disclose whether and how a nature-related target has been informed by law or regulation (9/12).

### Enhancing the SASB Standards – exposure draft of three SASB standards issued

24. On 27 March 2026, the ISSB issued an exposure draft for three SASB standards (agricultural products, meat, poultry and dairy, and electric utilities and power generators). This consultation is a continuation of phase 1, the first updates of which were published in July 2025 for which the [XRB provided feedback](#). This consultation closes on 24 July 2026. See agenda paper 'Documents open for comments' for further details.

### Transition Implementation Group on IFRS S1 and IFRS S2

25. The Transition Implementation Group on IFRS S1 and IFRS S2 (TIG) met on the 26 March 2026. One implementation question received was discussed at the TIG meeting.

***Question: Does IFRS S2 requires biogenic emissions to be included in an entity's measurement and disclosure of Scope 1, Scope 2 and Scope 3 GHG emissions, reported separately or not disclosed?***

26. The ISSB staff analysis and view on the implementation question can be found in [Agenda paper 2](#).
27. The question has been asked because IFRS S2 requires entities to measure GHG emissions using the GHG Protocol Corporate Standard (2004), but the GHG Protocol's reporting guidance says direct CO<sub>2</sub> from biomass/biofuels should be reported separately from the scopes—creating uncertainty about what IFRS S2 expects.
28. The ISSB staff's view is that because IFRS S2 requires disclosure of absolute gross Scope 1/2/3 emissions and refers to the GHG Protocol Corporate Standard for measurement (not its disclosure presentation rules), ISSB staff conclude biogenic emissions should be included within Scope 1/2/3 totals (and IFRS S2 does not require a separate biogenic line item). However, ISSB staff do go on to say that even if not separately required, entities may still need to disaggregate and separately present biogenic emissions where necessary to avoid obscuring material information (IFRS S1 disaggregation), and/or where relevant to strategy, industry-based metrics, or targets under IFRS S2.
29. The summary of the meeting is not yet publicly available on the IFRS Foundation website, so we do not know at this stage if the TIG members expressed agreement with the ISSB staff analysis and view.

### Webcast on climate resilience and climate-related scenario analysis requirements in IFRS S2

30. On the 10 March 2026, the ISSB issued a webcast—[\*Climate resilience and climate-related scenario analysis requirements in IFRS S2\*](#). In the webcast, Veronika Pountcheva (ISSB member) and Tim Kasim (ISSB technical staff) explain the requirements in IFRS S2 on disclosing information about climate resilience and the use of climate-related scenario analysis, including the proportionality mechanisms that enable entities to select an approach to scenario analysis that is commensurate with their circumstances.<sup>3</sup>

### Jurisdictional Readiness Assessment Guide and tool added to ISSB adoption toolkit

31. On the 24 February 2026, the ISSB announced the issue of The [\*Jurisdictional Readiness Assessment Guide and associated tool\*](#) are now available to support jurisdictions in assessing how prepared their markets are for the adoption or other use of ISSB Standards.
32. The Jurisdictional Readiness Assessment Tool is built on the idea that high-quality, decision-useful sustainability-related financial disclosures by Publicly Accountable Entities aligned with ISSB Standards require:
- (a) ecosystem readiness—the readiness of the institutional and market infrastructure to support high-quality sustainability-related financial disclosure, including regulatory architecture, supervisory capacity, reporting professionals, advisory services, assurance providers, data availability and digital reporting;
  - (b) preparer readiness—the readiness of entities to apply IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures, including the aspects of governance, resourcing, prior use of voluntary frameworks and the understanding of proportionality mechanisms; and
  - (c) support system readiness—the ability of development partners, accountancy bodies and other stakeholders to contribute towards filling capability gaps and supporting implementation.

### IFRS Foundation Trustees announce SSAF membership 2026–2028

33. On the 16 March 2026, The Trustees of the IFRS Foundation today [\*announced\*](#) the new composition of the Sustainability Standards Advisory Forum (SSAF) for the three-year period 2026–2028. The SSAF is a technical advisory body to the International Sustainability Standards Board (ISSB).
34. The Asian-Oceanian Standard-Setters Group (AOSSG) is a new member of the SSAF. Note that the XRB is a member of the AOSSG Sustainability Working Group.

### IPSASB

#### IPSAS progressing work on phase 2 of climate-related disclosures project

35. The IPSASB met in Toronto on the 10<sup>th</sup> – 13<sup>th</sup> of March. The discussion on phase 2 of the climate-related disclosures project focussed on constituent feedback on the 2024 Exposure Draft in relation to Public Policy Programs. Whilst the conversation did not go into depth on some of the broader and fundamental questions such as primary user (e.g. service recipients, sovereign bond

<sup>3</sup> <https://www.ifrs.org/content/dam/ifrs/supporting-implementation/ifrs-s2/climate-related-scenario-factsheet.pdf>

holders) the direction of travel was considered positive. Staff were given constructive feedback and all Board members were engaged in the discussions. The next IPSASB meeting will be held on 9<sup>th</sup> – 11<sup>th</sup> of June.

36. Before then, the XRB will be hosting the new IPSASB Board Chair Thomas Müller-Marqués Berger and IPSASB Program Technical Director Ross Smith on 21<sup>st</sup> – 23<sup>rd</sup> of April. We will host a sustainability focussed session and have invited two NZ public sector climate reporting entities to share their experiences.

## ISO and GHG Protocol

### GHG Protocol working through 1400 responses

37. Across both recent consultations, GHG Protocol received almost 1,400 responses. They are now working through evaluation of this feedback. Summaries of both consultations will be shared in the coming months, along with the full set of responses. All materials will be posted on the [public consultations landing page](#).
38. Following the release of the Land Sector Standard on 30 January the GHG Protocol is now [seeking feedback](#) from companies with land sector related emissions or that choose to account for CO<sub>2</sub> removals, as well as data providers and other relevant stakeholders, on their needs related to capacity-building, business decision-making, and data/MRV (monitoring, reporting, verification).

### ISO issued three standards in the ISO 14019 series

39. In February 2026, the International Organisation for Standardisation (ISO) issued three standards in the ISO 14019 series that cover the process of validating and verifying sustainability information. This is the first ISO standard series, that we are aware of, that covers sustainability information. These standards are applicable to both quantitative and qualitative information and contain requirements for both limited and reasonable assurance.
40. The standards cover the following:
- (a) ISO 14019-1 includes terminology, principles and general requirements applicable to both validation (assurance of forward-looking information) and verification (assurance of historical information).
  - (b) ISO 14019-2 includes specific principles and requirements for verification processes.
  - (c) ISO 14019-3 includes specific principles and requirements for validation processes (currently in development).
  - (d) ISO 14019-4 contains additional specific principles and requirements for validation/verification bodies and their staff.
  - (e) Feedback received during the sustainability assurance consultation confirmed practitioners' intention to apply ISSA (NZ) 5000 rather than using ISO standards for assurance under NZ CS. In December 2025, the NZAuASB decided to adopt ISSA (NZ) 5000 as the assurance standard for the reduced scope of entities remaining in the mandatory regime.
41. These standards may be relevant to, or used for, voluntary sustainability assurance in New Zealand. Staff will continue to monitor these standards and their uptake in New Zealand, as they may become relevant if sustainability assurance legislation changes in future.

## PCAF

42. No updates this period.

## European Commission

### The simplified ESRS are being processed through the delegated act pipeline

43. The European Commission is processing EFRAG’s simplified ESRS technical advice through the delegated act pipeline — i.e., reviewing it, collecting required regulator input, and drafting the legal text that would amend the existing ESRS delegated regulation.
44. The Commission formally requested opinions from the three European Supervisory Authorities (ESAs) — the European Banking Authority (EBA) European Securities and Markets Authority (ESMA)<sup>4</sup> European Insurance and Occupational Pensions Authority (EIOPA)<sup>5</sup>. All three ESAs have responded to the European Commission’s request
45. The three ESAs broadly supported simplification, but raised four consistent concerns:
- (a) that the cumulative package of reliefs and flexibilities (especially those framed as ongoing) could create persistent gaps in reported information, undermining comparability and decision-usefulness.
  - (b) they cautioned that expanded use of “undue cost or effort” and similar waivers risks becoming a de facto opt-out, so they urged time limits/sunsets to keep reliefs genuinely transitional.
  - (c) they were concerned that the combined effect of reliefs could reduce the availability of key quantitative data needed by investors, banks, insurers and supervisors, shifting the burden from preparers to users.
  - (d) they emphasised maintaining interoperability with international standards (notably ISSB/IFRS) and coherence with other EU requirements, warning that divergence could weaken usability and competitiveness.
46. The next concrete output from the Commission is expected to be an amended ESRS Delegated Act (i.e., a delegated regulation amending the existing ESRS delegated regulation). Once the Commission finalises the delegated act, it is submitted to the European Parliament and Council for scrutiny. The Commission is expected to adopt the final simplified ESRS around mid-2026, with application envisaged from FY 2027 and early adoption permitted for FY 2026

## EFRAG SRB

### EFRAG launches a call for expression of-interest on voluntary sustainability reporting by non SMEs

47. EFRAG is calling on companies and other stakeholders across the EU to take part in future engagement and research activities on the application of the upcoming Voluntary Standard (VS) by non-SME companies outside the scope of the CSRD. In particular, EFRAG will consider applications from EU companies that are not SMEs and have fewer than 1,000 employees or an

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<sup>4</sup> [https://www.esma.europa.eu/sites/default/files/2026-02/ESMA32-846262651-5440\\_Opinion\\_on\\_revised\\_ESRS.pdf](https://www.esma.europa.eu/sites/default/files/2026-02/ESMA32-846262651-5440_Opinion_on_revised_ESRS.pdf)

<sup>5</sup> [https://www.eiopa.europa.eu/publications/opinion-european-commission-efrags-technical-advice-amended-european-sustainability-reporting\\_en](https://www.eiopa.europa.eu/publications/opinion-european-commission-efrags-technical-advice-amended-european-sustainability-reporting_en)

annual turnover of less than €450m. The invitation also extends to a wide range of participants, including auditors, business associations, lenders, business partners, investors and other users of sustainability information.<sup>6</sup>

### GRI's GSSB

48. The 19 March GSSB meeting received a [quarterly update](#) of the implementation project schedule. Outgoing Chair Carol Adams was also farewelled at that meeting.

### CDP

49. No updates this period.

### Capitals Coalition

#### The Capitals Coalition have reviewed our draft document on the relationship to He Taurira

50. The Capitals Coalition have reviewed our draft document that describes the relationships between He Taurira and the Integrated Decision-making Framework. We are aiming to publish the final version in April. The Capitals Coalition have also offered to share the document in their April newsletter and in an article on their website.

### TISFD

51. No updates this period.

### ITPN

#### The ITPN plans to publish a report on how transition plans are informing decision making

52. An ITPN meeting was held on 10th February 2026. The agenda covered recent reports from the IPTN and their 2026 workplan, a presentation from the Taskforce on Net Zero Policy, and jurisdictional updates from the United Arab Emirates, Brazil, India and Europe.
53. In 2026 the ITPN also plan to publish a report on how transition plans are informing decision-making by companies and investors drawing on new empirical research. It intends to explore why companies choose to develop transition plans and how investors are using this information in stewardship, risk assessment, and investment decisions.<sup>7</sup>

### Jurisdictional updates

54. [Appendix A](#) includes a brief update on the jurisdictions we have prioritised as “Priority 3: Awareness”. This update focuses on how these jurisdictions are adopting, applying or otherwise been informed by the ISSB Standards. The ISSB also provides a list of ongoing and completed jurisdictional consultations at national and supra-national level on sustainability-related disclosures.<sup>8</sup>

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<sup>6</sup> <https://www.efrag.org/en/news-and-calendar/news/efrag-launches-a-call-for-expression-of-interest-on-voluntary-sustainability-reporting-by-nonsme>

<sup>7</sup> <https://itpn.global/publications/>

<sup>8</sup> See [Jurisdictional sustainability consultations](#)

## Appendix A: Jurisdictional updates

Jurisdiction	Update
United Kingdom	On 25 February 2026, the UK Department for Business & Trade (DBT) <a href="#">issued</a> the UK Sustainability Reporting Standards (SRS) S1 and UK SRS S2 for voluntary use (in whole or in part). These final UK SRS incorporate amendments developed following the June 2025 consultation, which are explained in the DBT <a href="#">response</a> . DBT's broader Modernising Corporate Reporting (MCR) consultation will consider the need for mandatory reporting for private entities against the UK SRS, with further information to be included in a consultation later this year. <sup>9</sup>
United States	<p><b>California</b></p> <p>In February, the California Air Resources Board (CARB) approved its proposed regulatory text released in December, confirming the reporting deadline for the first SB-253 reports (GHG emissions) as 10 August 2026. Notably, insurance companies already report GHG emissions to the California Department of Insurance. The CARB Executive Officer will assess these existing reporting requirements against those of SB-253 and recommend if further regulation is necessary. CARB have also confirmed the definitions for 'revenue' and 'doing business in California' are aligned with the California Revenue and Taxation Code to provide a standardised and verifiable way for companies to determine if they are within scope of the laws.</p> <p>CARB staff are seeking stakeholder feedback to inform the development of the next regulation including 1) organisational boundaries (equity share, operational control, financial control) and calculation methodologies (spend-based, activity-based, supplier-specific), 2) Scope 2 phase-in possibilities, and 3) allowing organisations to choose from a selection of assurance frameworks (AICPA, IAASB, ISO).</p> <p>SB-261 (climate) remains on pause pending court proceedings.<sup>10</sup></p> <p><b>New York</b></p> <p>Lawmakers have passed a bill establishing the Climate Corporate Data Accountability Act which now moves to New York Governor who will need to pass it into law. The reporting requirement is similar to California's SB-253 with reporting required from 2027.<sup>11</sup></p>
Canada	No update in this period

<sup>9</sup> [EY Public Policy Sustainability Bulletin](#)

<sup>10</sup> <https://kpmg.com/us/en/frv/reference-library/2026/california-climate-laws.html>

<sup>11</sup> <https://www.esgtoday.com/new-york-lawmakers-pass-bill-mandating-ghg-disclosure-by-large-companies/>

**Appendix B: Glossary**

AASB	Australian Accounting Standards Board
AOSSG	Asian-Oceanian standard-setters group
ASIC	Australian Securities & Investments Commission
EC	European Commission
EFRAG	European Financial Reporting Advisory Group
EFRAG SRB	European Financial Reporting Advisory Group Sustainability Reporting Board
GHG ISB	GHG Protocol Independent Standards Board
GSSB	Global Sustainability Standards Board GRI Standards
IASB	International Accounting Standards Board
IPSASB	International Public Sector Accounting Standards Board
ISO	International Organization for Standardization
ISSB	International Sustainability Standards Board
ISSB TIG	International Sustainability Standards Board Transition Implementation Group on IFRS S1 and IFRS S2
ITPN	The International Transition Plan Network
OECD	Organisation for Economic Co-operation and Development
PCAF	Partnership for Carbon Accounting Financials

## Memorandum

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**To:** SRB Members  
**Meeting date:** 14 April 2026  
**Subject:** **Documents open for comment**  
**Date:** 2 April 2026  
**Prepared by:** Judy Ryan and Rikki Owen  
**Through:** Amelia Sharman

**Action Required**

**For Information Purposes Only**

### Purpose<sup>1</sup>

1. The purpose of this paper is to:
  - (a) INFORM the Board about documents currently open (or forthcoming) for comment; and
  - (b) CONFIRM which documents the Board will comment on and, where relevant, provides feedback on our proposed approach for developing submissions.

### Recommendations

2. That the Board:
  - (a) NOTE the update on the IPSASB Work Program consultation.
  - (b) AGREES NOT TO RESPOND to the GHG Protocol *RFI on Actions and Market Instruments*.
  - (c) AGREES NOT TO COMMENT on the EFRAG discussion paper: *Connectivity of financial and sustainability reporting*, NOTING that feedback has been passed to the Chair of the NZASB, Carolyn Cordery as a forum member of ASAF and that this will also likely be a topic of discussion at the IFASS meeting in May 2026.
  - (d) AGREES TO COMMENT on the ISSB's SASB Exposure Draft, NOTING that the:
    - i. Response to be informed by targeted consultation.
    - ii. Final comment letter to be approved by circular resolution.

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<sup>1</sup> This memo refers to the work of the International Accounting Standards Board (IASB), International Sustainability Standards Board (ISSB), International Public Sector Accounting Standards Board (IPSASB) and uses registered trademarks, for example, IFRS<sup>®</sup> Sustainability Disclosure Standards, ISSB<sup>®</sup> papers and IPSASB SRS<sup>™</sup>.

## Domestic

3. There are no domestic consultations currently open for comment that are relevant to the Board.

## International

4. Table 1 identifies relevant documents issued by international standard-setting bodies that are currently open for comment.

Table 1: International documents open for comment

Document	Organisation	International due date	Comments on the Board's response
<a href="#"><i>IPSASB work program consultation</i></a>	IPSASB	4 May 2026	The joint SRB-NZASB <a href="#">draft comment letter</a> is open for public feedback until 13 April 2026. At its February meeting, the Board delegated approval of the letter to the Chair and one additional Board member. See below 'ISPASB work program consultation'.
<a href="#"><i>Actions and Market Instruments RFI</i></a>	GHG Protocol	31 May 2026	We recommend that the Board does not respond to this RFI. See below 'GHG Protocol actions and market instruments RFI'.
<a href="#"><i>Connectivity of financial and sustainability reporting</i></a>	EFRAG	30 June 2026	We recommend that the Board agrees not to comment on these proposals. See below 'EFRAG discussion paper on connectivity of financial and sustainability reporting'.
<a href="#"><i>Exposure draft for Agricultural Products, Meat &amp; Dairy, and Electric Utilities &amp; Power Generators SASB Standards</i></a>	ISSB	24 July 2026	We recommend that the Board agrees to comment on these proposals. See below 'ISBB exposure draft for SASB Standards for Agricultural Products, Meat & Dairy, and Electric Utilities & Power Generators'.

5. Table 2 identifies relevant forthcoming documents that will shortly be issued by international standard-setting bodies.

Table 2: Forthcoming international documents open for comment

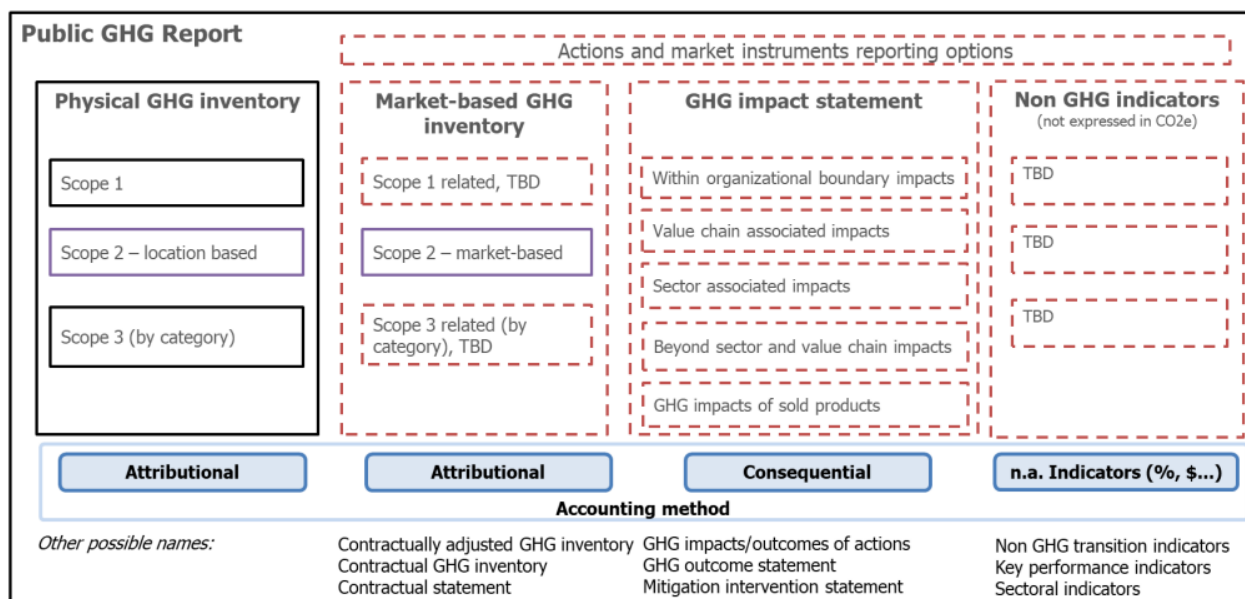
Document	Organisation	Expected release date	Comments on the Board's response
<a href="#"><i>Exposure drafts for pollution standards</i></a>	GRI	April 2026	We will likely recommend that the Board agrees not to comment on these proposals due to higher-priority work.
Corporate Standard	GHG Protocol	Q2 2026	
Scope 3 Standard	GHG Protocol	Q3 2026	
Scope 2 Standard (phase 2)	GHG Protocol	Q2 2026	

## **IPSASB work program consultation**

6. The joint SRB-NZASB draft comment letter is open for public feedback until 13 April 2026. At its February meeting, the Board delegated approval of the letter to the Chair and one additional Board member.
7. As of the 27th of March, one response has been received specifically regarding SMC 3 (sustainability and other reporting). This letter is not available on the website at this time.

## **GHG Protocol actions and market instruments RFI**

8. The Request for Information (RFI) is an opportunity for stakeholders of the GHG Protocol to provide feedback on the development of the Actions and Market Instruments (AMI) Standard. Stakeholders must submit their feedback via the online survey form on the GHG Protocol website. The form will be open for submissions for a 60-day period held between March 31 and May 31, 2026.
9. Following this Request for Information period in Q2 2026, the GHG Protocol Secretariat will prepare a public summary of feedback, highlighting key themes and proposed areas for amendment. In H2 2026, the Secretariat will work with the AMI TWG to incorporate stakeholder feedback towards a draft standard. In H1 2027, the draft standard will be submitted to the ISB for approval and revised if needed, for a formal public consultation currently planned for Q3 of 2027.
10. Following the formal public consultation on the draft standard and analysis of stakeholder feedback, in the beginning of 2028 the AMI Secretariat will work with the ISB and AMI TWG on revisions. Once approved by the ISB, the GHG Protocol Steering Committee will be asked to ratify the AMI Standard to ensure due process has been followed. The GHG Protocol anticipates the revised standard to be published by the end of 2028.
11. The most significant development proposed in the document is the introduction of a multi-statement accounting and reporting structure for GHG reports which go beyond the GHG inventory:
  - (a) Statement 1: Physical GHG inventory (existing, no change)
  - (b) Statement 2: Market-based GHG inventory
  - (c) Statement 3: GHG impact statement
  - (d) Statement 4: Non-GHG indicators
12. The document also introduces objectives, definitions, and principles for GHG accounting and reporting on AMI.

**Figure ES-1. Reporting statements under consideration**

13. We recommend that the SRB do not respond to the RFI, as NZ CS sets the requirements for the disclosure of GHGs for our CREs. Under NZ CS a CRE is not required to prepare a GHG inventory, and by extension would not be required to prepare any of the additional proposed statements. Similarly, IFRS S2 also sets out disclosure requirements for GHG emissions, which do not include a GHG inventory.

#### Question for the Board

- Q1. Does the Board AGREE NOT TO RESPOND to the GHG Protocol *RFI on Actions and Market Instruments*?

#### EFRAG discussion paper on connectivity of financial and sustainability reporting

14. The purpose of the Discussion Paper (DP) is to provide thought leadership on the concepts and practical application of connectivity and to suggest considerations for enhancing connectivity and the related aspect of clarifying the borders of different annual report sections.
15. The notion of connectivity, as an explicit reporting principle, is relatively new, and it has been encompassed within different corporate reporting guidance. There are connectivity and connection requirements in ESRS, connection requirements in International Sustainability Standards Board (ISSB) Standards, and coherence requirements in the 2025 IFRS 1 Practice Statement-Management Commentary (2025 IFRS MCPS). Connectivity is also one of the principles of the voluntary Integrated Reporting (IR) framework. However, there is no explicit mention of the term in IFRS accounting requirements. Moreover, it does not have a commonly applied definition. Hence, for this DP, a high-level definition of the connectivity of reported information is that it is ‘the attribute of high-quality information that supports the provision of a holistic and coherent set of information within and across different annual report sections’. This definition builds on the Basis for Conclusions of ESRS Set 1’s statement that ‘Connected information establishes clear links between the management report, sustainability statements and financial statements and provides a holistic view between all the factors that affect value creation.’
16. The following are the key messages made in the DP:
- Connectivity of reported information is relevant regardless of the underlying reporting requirements/framework

- (b) Connectivity concepts are applicable across multiple reports and can be extended beyond sustainability-related matters
  - (c) Connectivity is an evolving concept
  - (d) Connectivity of reported information is improving, although companies are in the early stages of applying this concept
  - (e) Usefulness of connectivity of reported information ascertained
  - (f) Addressing information across different reports that some expect to be (but is not) reported and connected
  - (g) Clarification of the border of financial statements with respect to the disclosure of information (including forward-looking information) will enhance connectivity
  - (h) Standard setters may need to explore reasons for the perceived underreporting of sustainability matters in the segment disclosures in the financial statements
  - (i) No specific connectivity-related issues identified on the boundary of the reporting entity/reporting boundary (i.e. the entities, assets and sites/operations reported on)
  - (j) Full benefits of XBRL-generated structured data for connectivity in the provision and consumption of reported information are yet to be realised.
17. We provided initial feedback on this DP to Carolyn Cordery, NZASB Chair and the New Zealand member of the International Accounting Standards Board's Accounting Standards Advisory Forum (ASAF) to feed into Carolyn's participation at the March ASAF meeting. EFRAG is also a member of ASAF. In our comments to Carolyn, we:
- (a) noted the continued potential confusion in terminology (e.g. different understandings of terms such as connectivity, integration, coherence, consistency etc.)
  - (b) suggested further clarification was regarded about the concept of connectivity being framework agnostic and how that might work in practice across regimes (e.g. a single materiality vs double materiality regime)
  - (c) cautioned the potential for creating new compliance layers if additional connectivity requirements were added into IFRS Accounting Standards
  - (d) noted that for the specific disclosure of anticipated financial impacts/effects, further clarification on what this disclosure entails would be better rather than encouraging more disclosure in climate and financial reporting.
18. Carolyn noted that our comments on boundary issues (relating to terminology and potential additional connectivity requirements) were echoed at the ASAF meeting by Canada and Japan. At the meeting, EFRAG requested that the XRB make a submission on the DP. However, we do not recommend providing further comment on the DP due to other more pressing priorities. We will however take the opportunity to further discuss the DP at IFASS in April (either with other national standard setters, or also with EFRAG if they are able to attend).

**Question for the Board**

Q2. Does the Board AGREE NOT TO COMMENT on the EFRAG discussion paper: *Connectivity of financial and sustainability reporting?*

### **ISSB exposure draft for SASB Standards for Agricultural Products, Meat & Dairy, and Electric Utilities & Power Generators**

19. The Exposure Draft (ED) and Basis for Conclusions (BC) were released on 27 March with comments due by 24 July 2026. The ISSB will decide the effective date of the amendments after considering the feedback on the proposed amendments. Any changes will be effective between 12 and 18 months after the issuance of the updated standards and will permit early application.
20. This ED is part of the scope of work for the project to propose amendments to 12 prioritised SASB Standards decided upon by the ISSB in July 2024. In July 2025, the ISSB published the Exposure Draft Proposed Amendments to the SASB Standards (July 2025 Exposure Draft) setting out proposed amendments to nine other SASB Standards. General feedback received from this earlier exposure draft is referred to in this [February ISSB board paper](#) (paragraph 13 on). The decision was made, regardless of this feedback, to continue with the planned next steps.
21. The proposals in this ED are consistent with those in the July 2025 Exposure Draft. Appendix B of the BC shows which metrics in this ED are based on similar or identical metrics proposed in the July 2025 Exposure Draft.
22. There are approximately six CREs which would fit into the Electric Utilities & Power Generators SASB Standard and two which would fit into the Meat, Poultry & Dairy sector. Staff do not believe there are any CREs which would fit into the Agricultural Products definition as this is in relation to production, trading and distribution of vegetables, fruits, tea, coffee, oils, maize and rice. These sectors are important for New Zealand generally and staff intend to make other key entities (such as the Ministry for Primary Industries) aware of this consultation should they also wish to respond.
23. Staff recommend that the Board submit a response to these proposals, including referring the ISSB to [our earlier feedback on the ISSB architecture](#). Staff suggest targeted consultation as the primary means of gathering feedback on these proposed changes. This would include CREs and government agencies (e.g. MPI as noted above). An indicative response will be provided to the Board at its June meeting with the final response to be agreed by circular resolution.
24. The proposed amendments to the **Agricultural Products** and **Meat, Poultry & Dairy** standards significantly expand disclosure topics to increase coverage of nature-, climate- and human-capital-related risks across both direct operations and supply chains.
  - (a) For agricultural products, the scope is expanded to explicitly include direct farming operations, with new disclosure topics on food loss and food waste, land use and ecological impacts, labour conditions, and enhanced environmental and social supply chain management.
  - (b) In the meat, poultry and dairy standard, additional emphasis is placed on livestock-specific risks through revised disclosures on animal health and welfare, antibiotic use, nutrient management, and product innovation, while new metrics are added to environmental and social supply chain management disclosures.
  - (c) Across both standards, metrics are revised or replaced to improve international applicability, including new requirements on deforestation- and conversion-free

production, spatial footprint and restoration, water discharges, workforce composition, and traceability and due diligence in supply chains.

25. One Board member did not agree with the updates to the meat, poultry and dairy standard and so provided an alternative view. His alternative view can be found in BC paragraphs AV1 to AV33 (pages 57 to 64). He argues that the proposed amendments fail to address material sustainability risks and opportunities, particularly upstream and indirect ones such as greenhouse gas emissions (including methane), freshwater use and land use, thereby undermining completeness of disclosures.
26. In addition, he raises concerns about the consistency between the IFRS Sustainability Standards (S1 & S2) and the SASB Standards. He notes that these consistency concerns extend beyond consideration of the meat, poultry and dairy standard (see paragraphs AV31 to AV33). We note that this stated concern is similar to the issues raised by national standard setters (see paragraph 20 of this memo).
27. The proposed updates to the **Electric Utilities & Power Generators** standard include:
  - (a) the addition of disclosures linking climate-related transition risks to capital strategy and new metrics on installed and planned generation capacity (including energy storage)
  - (b) revised disclosure topics for air quality, water management, coal ash management, energy affordability, workforce health & safety, and efficiency and demand
  - (c) new disclosure topics are introduced on ecological impact, community relations and the rights of Indigenous Peoples, employee recruitment and retention, and supply chain risk management.

#### Question for the Board

Q3. Does the Board AGREE TO COMMENT on *Exposure draft for Agricultural Products, Meat & Dairy, and Electric Utilities & Power Generators SASB Standards*?

## Memorandum

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**To:** SRB Members

**Meeting date:** 14 April 2026

**Subject:** **Amendments to NZ CS 1 Climate-related Disclosures 2026**

**Date:** 2 April 2026

**Prepared by:** Judy Ryan and Lisa Kelsey

**Through:** Amelia Sharman

**Copy:** Misha Pieters and Karen Tipper

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**Action Required**

**For Information Purposes Only**

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### Purpose

1. The purpose of this memo is to seek the Board's approval to issue Exposure Draft (ED) *Amendments to NZ CS 1 Climate-related Disclosures 2026* and the accompanying consultation document.

### Recommendation

2. We recommend the Board READ the consultation document first, as the consultation document provides the context for the proposed amendments in the ED.
3. We recommend that the Board APPROVES for issue
  - (a) *ED Amendments to NZ CS 1 Climate-related Disclosures 2026* and
  - (b) the accompanying consultation document,subject to:
  - i. any changes raised by the Board at this meeting being incorporated by Staff
  - ii. any changes required to aid compliance with the Regulatory Standards Act being incorporated by Staff
  - iii. incorporation of any significant feedback raised by the FMA and agreed by Staff.

If the Board does not wish to approve these documents subject to the above conditions, then the Board may choose to: a) delegate authority to the Chair to finalise the documents with Staff, or b) require all documents to be brought back to the Board meeting on 10 June 2026.

### Providing feedback

Word versions are available (until EOD Monday 13 April) for minor comments and changes to the consultation document and ED at the following links: [consultation document](#), [exposure draft](#). Substantive feedback can be discussed at the meeting.

## Background

4. At its meeting on the 25 February 2026 (February meeting), the Board agreed:
  - (a) to propose targeted amendments to NZ CS 1 to align scope 3 greenhouse gas (GHG) emissions disclosure requirements with the recent amendments issued by both the International Sustainability Standards Board (ISSB) and Australian Accounting Standard Board (AASB)
  - (b) to propose making targeted amendments to NZ CS 1 *Climate-related Disclosures* by permitting an entity to exclude the following sources from its scope 3 GHG emissions disclosure:
    - i. emissions attributable to derivatives
    - ii. emissions attributable to insurance and reinsurance and underwriting activities
    - iii. emissions attributable to capital market issuance activities
  - (c) to propose making the amendments via the addition of mandatory application material to NZ CS 1
  - (d) to propose including content from the existing staff guidance *Excluding GHG emissions sources — Considerations for preparers* in the mandatory application material
  - (e) to issue the proposed amendments for consultation at the same time as the climate reporting roadmap consultation (i.e. by 30 June 2026)
  - (f) with the proposed project timeline, including a one-month consultation period.
5. The Board also noted at its February meeting, that it will consider an exposure draft of the amending standard for approval at its meeting on 14 April 2026.
6. We issued a [Climate Alert](#) on the 3 March 2026 to inform our stakeholders of the Board's decisions.

## Next steps from Board meeting on 25 February 2026

### Assurance – Assurance Staff review and keeping the NZAuASB informed

7. Part 7A of the Financial Markets Conduct Act 2013 requires that the disclosure of an entity's GHG emissions as required by Aotearoa New Zealand Climate Standards are the subject of an assurance engagement.
8. As we are proposing to amend a requirement that forms part of the GHG disclosures that are subject to mandatory assurance, we informed the Board at its February meeting that we were planning to seek feedback from the NZAuASB prior to bringing an exposure draft back to the Board.
9. After discussions with the Director of Audit and Assurance and in line with normal due process, it is considered appropriate to inform the NZAuASB rather than consult. The Director of Sustainability Reporting will attend the April NZAuASB meeting.
10. Assurance staff have provided feedback on both the consultation document and the ED and this has been incorporated.

### Testing of drafting of proposed amendments with external stakeholders

11. Our intent is to align with paragraph 29A of IFRS S2. In practical terms, we want entities applying NZ CS 1 to be able to achieve the same disclosure boundary as entities applying IFRS S2 — i.e.,

to limit scope 3 category 15 GHG emissions disclosures to financed emissions and to exclude scope 3 category 15 GHG emissions that the ISSB has indicated are not financed emissions (including emissions attributable to derivatives).

12. We informed the Board on 25 February 2026 that we would use the time before seeking approval of the proposed amendments to test the drafting.
13. We sent the content of our proposed paragraph B9 and the IFRS S2 amendments to two insurers, one bank and one professional service provider and asked for their initial views on whether they considered that the NZ CS 1 proposal aligned with the amended requirements of IFRS S2. Two minor amendments were suggested and incorporated, as follows:  
Suggested amendments (new text underlined and deleted text struck through):  
An entity may exclude the following financial activities from its disclosure of scope 3 GHG emissions:
  - (a) emissions attributable to derivatives;
  - (b) emissions attributable to insurance and reinsurance ~~and~~ underwriting activities; and
  - (c) facilitated emissions attributable to capital market issuance activities.
14. The initial views of the stakeholders were that the proposals would achieve the same outcome as the IFRS S2 amendments. This testing was informal and indicative only, and we are seeking broader input through consultation. Section 3.3.2 of the consultation document explains our intent, and we are asking two questions in relation to this (see questions 2 and 3 in the consultation document).
15. At the time of writing this memo, the ED is with the Financial Markets Authority (FMA) for feedback. We will provide a verbal update on any suggested amendments from the FMA at the meeting.

## Consultation document

16. This section draws the Board's attention to selected content from the consultation document. The document is organised to show that feedback is being sought on two groups of proposed amendments. The first group addresses stakeholder concerns by suggesting that scope 3 GHG emissions requirements be aligned with international standards. The second group relates to incorporating staff guidance on excluding certain GHG emissions sources.

## We are not proposing to include additional qualitative disclosures added by the ISSB

17. Section 3.3.3 of the consultation document explains that we are not proposing to include the additional qualitative disclosures added by the ISSB and why.

## Proposed exclusions are optional

18. We added section 3.3.4 to make it clear that the proposed amendments to exclude specific financial activities from scope 3 GHG emissions is a permission not a requirement. We note that entities already disclosing these sources can continue to do so and that the proposed amendment would not prevent an entity from choosing to disclose GHG emissions from some or all of these sources should it elect to do so.

## Proposed amendments would apply from 1 January 2027 with early adoption permitted

19. We consider that the proposed amendments should make it easier for entities to apply NZ CS. We propose to make the amendments available to entities as soon as possible. To that effect we propose to set the application date for reporting periods that begin on or after 1 January 2027 and to permit early adoption.

20. This application date would also align with the adoption date for the new assurance standard ISSA (NZ) 5000.

### **We are not proposing to make all the amendments made by the ISSB and AASB**

21. We added section 3.6 to explain why are not proposing to make all the amendments made by the ISSB and AASB as outlined in ISSB's *Amendments to Greenhouse Gas Emissions Disclosures*.
22. The final section of the consultation document has a section for Regulatory Standards Act compliance. We are awaiting guidance from the Ministry for Regulation that will assist us in determining the necessary content of this section. This guidance is due to be issued in April 2026.

#### **Questions for the Board**

- Q1. Does the Board have any questions or feedback about the content in the consultation document?
- Q2. Does the Board APPROVE the consultation document for issue, subject to the conditions outlined in paragraph 3?

### **Exposure Draft**

23. Appendix B of the Exposure Draft includes the proposed application material. Paragraphs B8(c) and B11 are the proposed amendments to align with the requirement in paragraph 29A of IFRS S2. Paragraphs B1 to B10 are the content from the existing XRB Staff guidance [Excluding GHG emissions sources — Considerations for preparers](#).

#### **Questions for the Board**

- Q3. Does the Board have any questions or feedback on the proposed paragraphs B1 to B9?
- Q4. Does the Board APPROVE the exposure draft for issue, subject to the conditions outlined in paragraph 3?

### **Attachments**

- Consultation document for amendments to NZ CS 1 Climate-related Disclosures 2026
- ED *Amendments to NZ CS 1 Climate-related Disclosures 2026*

# Proposed Amendments to NZ CS 1 *Climate-related Disclosures* 2026

Consultation document

Consultation closes  
5pm, 29 July 2026



Issued 30 June 2026



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**This consultation document should be read in conjunction with the **Exposure Draft** on our website.**

## 1 Why are we consulting on proposed amendments to NZ CS 1

### 1.1 We are responding to stakeholder concerns by proposing to internationally align scope 3 GHG emissions disclosure requirements

We are consulting on targeted amendments to NZ CS 1 *Climate-related Disclosures* to internationally align requirements for the disclosure of scope 3 category 15 (investments) greenhouse gas (GHG) emissions.

In December 2025, the International Sustainability Standards Board (ISSB) amended IFRS S2 *Climate-related Disclosures* and the Australian Accounting Standards Board (AASB) issued equivalent amendments to AASB S2 *Climate-related Disclosures* to maintain alignment.<sup>1</sup> One of the amendments allows an entity to limit what it is required to include in its scope 3 category 15 (investments). This amendment requires only the entity's "financed emissions<sup>2</sup>" to be disclosed.

Our stakeholders have told us that the current requirements in NZ CS 1 are now more onerous than IFRS S2, creating uncertainty and unnecessary cost—particularly for New Zealand subsidiaries of Australian groups facing divergent expectations. They are seeking clarity and relief to reduce costs arising from this international divergence.

### 1.2 We are also consulting on including content from our staff guidance on the exclusion of GHG emissions sources

We are also seeking feedback regarding the proposed inclusion of content from our existing staff guidance: *Excluding GHG emissions sources — Considerations for preparers*, as authoritative (mandatory) application material within NZ CS 1. This guidance was developed to assist preparers in evaluating relevant factors when making judgements about the exclusion of material GHG emissions sources.

### 1.3 These proposed amendments affect any entity proposing to exclude GHG emissions

GHG emissions disclosures provide information to users of climate statements to help them assess an entity's exposure to transition risk. The proposed amendments to make existing staff guidance authoritative will apply to all entities applying NZ CS 1.

Entities in the financial sector are more likely to be affected than other entities by the proposed amendments related to the international alignment of the scope 3 category 15 GHG disclosure requirements.

### 1.4 This is a targeted consultation, whereas the roadmap consultation is a broader, long-term strategic discussion

This consultation focuses specifically on proposed targeted amendments to NZ CS 1 and is separate from our climate reporting roadmap consultation which is also underway. [Match wording from roadmap consultation: The roadmap consultation is a broader, long-term strategic discussion where we are seeking feedback on the future direction of climate reporting in New Zealand. This being the last change to NZ CS]

<sup>1</sup> Subsequently in this document, references to IFRS S2 should be read as also referring to AASB S2, which includes equivalent amendments.

<sup>2</sup> "...emissions attributed to loans and investments made by the entity to investees or counterparties. 'Loans and investments' include loans, project finance, bonds, equity investments and undrawn loan commitments. For an entity that participates in asset management activities, financed emissions include greenhouse gas emissions attributed to assets under management." (see IFRS S2 paragraph 29A)

**XRB Consultation document: Proposed amendments to NZ CS 1 Climate-related Disclosures 2026****1.5 We need to act now as adoption relief will not be available from 1 January 2027 for most entities**

We consider it important to consult now because existing adoption relief in relation to the disclosure of scope 3 GHG emissions in NZ CS 2 *Adoption of Aotearoa New Zealand Climate Standards* will no longer be available for most entities for reporting periods beginning on or after 1 January 2027. This timing also ensures that scope 3 GHG emissions disclosure requirements under NZ CS are not more onerous than those required under AASB S2 which is important given the number of entities who have parents or obligations in Australia. Furthermore, delaying making amendments until after the climate reporting roadmap consultation would not meet stakeholders' requests for timely action.

**2 How to respond and provide feedback****2.1 Responding to our consultation questions**

Please feel free to comment on any or all of the questions on the proposed amendments.

We appreciate both formal and informal comments, whether supportive or critical, as both supportive and critical comments are essential for us to reach a balanced view.

All comments received will be considered.

**2.2 Respond to the consultation via online survey by 29 July 2026**

We are seeking submissions through an **online survey** given the targeted nature of the proposed amendments.

All submissions will be published on the XRB website.<sup>3</sup>

**The consultation closes 5pm on 29 July 2026.**

**2.3 The questions we are asking**

These are the consultation questions in the online survey.

**3.2 We are proposing to permit exclusion of emissions from some financial activities and to formalise existing staff guidance on exclusions**

1. Do you agree with the proposed amendments to NZ CS 1?
2. Why or why not?

**3.2.2 Our intent is to align with the requirement in paragraph 29A of IFRS S2**

3. Do you agree that the proposed list of permitted exclusions (derivatives; insurance and reinsurance underwriting activities; capital market issuance activities) appropriately captures Category 15 emissions that are not 'financed emissions'?
4. If not, what should be added or removed, and why? [see Exposure draft – Appendix B, paragraphs B6 and B9]
5. Is the proposed 'may exclude' drafting clear and operable for your entity given the measurement standard you use (e.g., GHG Protocol, ISO, PCAF)?
6. If not, what specific wording changes would improve it?

<sup>3</sup> Submissions are subject to the Official Information Act 1982 and the Privacy Act 2020. The XRB will handle information in accordance with these Acts. If you object to the release of any information in your submission, please identify the specific parts and the reasons under the Official Information Act 1982. We reserve the right not to publish defamatory submissions.

**XRB Consultation document: Proposed amendments to NZ CS 1 Climate-related Disclosures 2026****3.3.3 We are not proposing to include additional qualitative disclosures added by the ISSB**

7. The ISSB added additional qualitative disclosures (IFRS S2 paragraphs 29B–29C) when an entity applies the IFRS S2 paragraph 29A relief. Do you agree we should not add additional qualitative disclosures into NZ CS 1, given NZ CS 1 already requires disclosure of exclusions under paragraph 24(d)? If not, what additional disclosure would you consider decision-useful (and why)?

**3.4 We are proposing to include existing XRB staff guidance on exclusions in NZ CS 1**

8. Do you agree with the proposed inclusion of content from our existing staff guidance *Excluding GHG emissions sources — Considerations for preparers*, as authoritative (mandatory) application material within NZ CS 1? [see Exposure Draft – Appendix B, paragraphs B1 to B8]

**3.5 The proposed amendments would apply from 1 January 2027 with early adoption permitted**

9. Do you agree with the proposed mandatory date of 1 January 2027, with early adoption permitted?

**Any other feedback**

10. Do you have any other feedback on the ED proposals?

### 3 Proposed amendments to NZ CS 1 – what would change

#### 3.1 NZ CS 1 currently requires disclosure of all material scope 3 GHG emissions

[Paragraph 22\(a\)\(iii\)](#) of NZ CS 1 currently requires disclosure of all material scope 3 category 15 GHG emissions unless there is a justification for exclusion. [Paragraph 24\(d\)](#) requires the disclosure of exclusions and the justification.

NZ CS 2 *Adoption of Aotearoa New Zealand Climate Standards* provides an [adoption provision](#) from the requirement in paragraph 22(a)(iii) of NZ CS 1 until an entity's fourth reporting period (i.e. reporting starts from the fifth reporting period). For those entities that have been in the regime from 1 January 2023, this adoption provision will no longer be available for annual reporting periods beginning on or after 1 January 2027.

#### 3.2 We are proposing to permit exclusion of emissions from some financial activities and to formalise existing staff guidance on exclusions

The proposed amendments to NZ CS 1 would permit entities to exclude specified sources of GHG emissions from their scope 3 GHG emissions disclosures, while still requiring transparent disclosure that those sources have been excluded.

We are proposing to permit an entity to exclude the following financial activities from its disclosure of scope 3 GHG emissions:

- emissions attributable to derivatives;
- emissions attributable to insurance and reinsurance underwriting activities; and
- facilitated emissions attributable to capital market issuance activities.

We are also proposing to include content from our existing staff guidance: [Excluding GHG emissions sources — Considerations for preparers](#), as authoritative (mandatory) application material within NZ CS 1.

The proposed text of the amendments is shown in the **Exposure Draft** – see Appendix B.

1. Do you agree with the proposed amendments to NZ CS 1?
2. Why or why not?

#### 3.3 Permitting exclusions for specific financial activities from scope 3 GHG emission disclosures

##### 3.3.1 Our drafting approach differs to IFRS S2

NZ CS 1 is aligned with, but not based on, IFRS S2. Therefore, our proposed amendments have been drafted to work with the existing requirements and structure in NZ CS 1.

IFRS S2 paragraph 29A (see extract below) frames the relief in terms of what *is required* to be measured and disclosed, that is, an entity's 'financed emissions', as opposed to framing the relief in terms of what is *not required*. We note that, for the avoidance of doubt the ISSB decided to state explicitly that an entity is permitted to exclude GHG emissions attributable to derivatives.

Extracts from the ISSB's amending standard, *Amendments to Greenhouse Gas Emissions Disclosures*:

*"In preparing disclosures to meet the requirement in paragraph 29(a)(i)(3), an entity is permitted to limit what it includes in its measure of Scope 3 Category 15 greenhouse gas emissions to only its financed emissions. That is, the entity is permitted to limit its Category 15 greenhouse gas emissions to emissions attributed to loans and investments made by the entity to investees or counterparties. 'Loans and*

**XRB Consultation document: Proposed amendments to NZ CS 1 Climate-related Disclosures 2026**

*investments' include loans, project finance, bonds, equity investments and undrawn loan commitments. For an entity that participates in asset management activities, financed emissions include greenhouse gas emissions attributed to assets under management. For the purpose of the limitation, an entity is permitted to exclude greenhouse gas emissions attributable to derivatives.*" [paragraph 29A]

*"The portion of gross greenhouse gas emissions of an investee or counterparty attributed to the loans and investments made by an entity to the investee or counterparty. These emissions are part of Scope 3 Category 15 (investments) as defined in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)."* [Appendix A, Defined terms, financed emissions]

Our relief cannot easily follow the approach used by the ISSB as NZ CS 1 does not require use of the GHG Protocol, does not directly reference the scope 3 GHG Protocol categories and does not define financed emissions. However, unlike IFRS S2, NZ CS 1 does include a requirement for an entity to disclose a summary of specific exclusions of sources, including facilities, operations or assets with a justification for their exclusion (see NZ CS 1 paragraph 24(d)).

Therefore, rather than defining what *must be measured*, we are proposing amendments to NZ CS 1 to instead describe what *may be excluded*. Our proposed approach is intended to work regardless of the measurement standard an entity has used to measure its scope 3 GHG emissions (i.e. GHG Protocol, ISO or PCAF).

**3.3.2 Our intent is to align with the requirement in paragraph 29A of IFRS S2**

Our intent is to align with paragraph 29A of IFRS S2. In practical terms, we want entities applying NZ CS 1 to be able to achieve the same disclosure boundary as entities applying IFRS S2. This means:

- to limit scope 3 category 15 GHG emissions disclosures to financed emissions; and
- to exclude scope 3 category 15 GHG emissions that the ISSB has indicated are not financed emissions (including emissions attributable to derivatives).

To confirm what else the ISSB considered to sit outside financed emissions (in addition to derivatives), we considered the ISSB's Basis for Conclusions on the December 2025 amendments (ISSB's BC). The ISSB distinguishes financed emissions from other Category 15 emissions, including (a) facilitated emissions associated with investment banking activities and (b) insurance-associated emissions linked to insurance and reinsurance underwriting. The ISSB also clarified that emissions associated with underwriting portfolios do not meet the definition of financed emissions and are therefore not required to be disclosed as financed emissions.

On that basis, we propose to permit entities to exclude emissions attributable to (i) insurance and reinsurance underwriting activities and (ii) capital market issuance activities (as a practical subset of facilitated emissions), in addition to derivatives.

Extracts from the ISSB's BC:

*"[...] Examples of other types of Category 15 greenhouse gas emissions are facilitated emissions that are associated with investment banking activities, and insurance-associated emissions that are associated with insurance and reinsurance underwriting activities."* [Paragraph BC121D]

*"The ISSB confirmed that IFRS S2 requires financed emissions disclosure only for insurance-related financial activities associated with an insurer's assets. In other words, IFRS S2 does not require disclosure of the 'associated emissions' of underwriting portfolios in the insurance and reinsurance industries."* [Paragraph BC129]

*In 'Amendments to Greenhouse Gas Emissions Disclosures', issued in December 2025, the ISSB clarified that although emissions associated with an entity's insurance or reinsurance underwriting activities are Category 15 greenhouse gas emissions, these emissions do not meet the definition of financed emissions. Considering the definition of financed emissions, paragraph BC129 could be more specifically phrased to state that the ISSB confirmed that IFRS S2 requires 'Category 15 greenhouse gas emissions' disclosure for only financial activities associated with an insurer's loans and investments."* [Footnote to paragraph BC129]

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The proposed text of the amendments is shown in the **Exposure Draft** – Appendix B, paragraphs B6 and B9.

3. Do you agree that the proposed list of permitted exclusions (derivatives; insurance and reinsurance underwriting activities; capital market issuance activities) appropriately captures Category 15 emissions that are not ‘financed emissions’?
4. If not, what should be added or removed, and why? [see Exposure draft – Appendix B, paragraphs B6 and B9]
5. Is the proposed ‘may exclude’ drafting clear and operable for your entity given the measurement standard you use (e.g., GHG Protocol, ISO, PCAF)?
6. If not, what specific wording changes would improve it?

**3.3.3 We are not proposing to include additional qualitative disclosures added by the ISSB**

As part of its amendments to limit the disclosure of scope 3 category 15 GHG emissions to financed emissions, the ISSB also added some additional qualitative disclosures into IFRS S2 that an entity will be required to make if it applies the relief in paragraph 29A.

The ISSB has added the following qualitative disclosure requirements:

- explain what the entity has treated as a derivative (see paragraph 29B(a))
- describe the financial activities it has excluded from its measure of category 15 greenhouse gas emissions as a result of applying paragraph 29A, including financial activities associated with derivatives (see paragraph 29B(b))
- disclose the total category 15 greenhouse gas emissions included within its measure of scope 3 greenhouse gas emissions, and the subtotal of financed emissions within that total (see paragraph 29C).

As noted in section 3.3.1, paragraph 24(d) of NZ CS 1 already requires the disclosure of exclusions and therefore we are not proposing to add these additional qualitative disclosures. In addition, NZ CS requires an entity to disaggregate information in a way that fairly presents its climate-related disclosures and requires additional information to be provided if needed to show a fair presentation. (see paragraphs 6 to 9 of NZ CS 3).

7. The ISSB added additional qualitative disclosures (IFRS S2 paragraphs 29B–29C) when an entity applies the IFRS S2 paragraph 29A relief. Do you agree we should not add additional qualitative disclosures into NZ CS 1, given NZ CS 1 already requires disclosure of exclusions under paragraph 24(d)?
8. If not, what additional disclosure would you consider decision-useful (and why)?

**3.3.4 You may disclose emissions from these financial activities if you choose**

It is important to note that this proposed amendment introduces a permission not a requirement. If you have already disclosed GHG emissions from these sources, you can continue to do so. The proposed amendment would not prevent an entity from choosing to disclose GHG emissions from some or all of these sources should it elect to do so.

**3.4 We are proposing to include existing XRB staff guidance on exclusions in NZ CS 1**

In response to requests from stakeholders seeking greater certainty on what qualifies as a justified exclusion under paragraph 24(d) of NZ CS 1, staff from the XRB developed and issued non-authoritative staff guidance in August 2025 [Excluding GHG emissions sources — Considerations for](#)

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preparers (staff guidance). For the sake of timeliness, this was issued as staff guidance as opposed to making an amendment to NZ CS 1 at that point.

The staff guidance identified two factors that may influence judgements about excluding emissions:

- data is unavailable and no reasonable estimate can be made; and
- there is no applicable method for quantification.

Because we are now amending NZ CS 1 to add application material in respect of paragraph 24(d), we are proposing to include content from the existing staff guidance into this application material. This will ensure a single source of information about exclusions under paragraph 24(d).

The proposed text of the amendments is shown in the **Exposure Draft** – Appendix B, paragraphs B1 to B8.

9. Do you agree with the proposed inclusion of content from our existing staff guidance Excluding GHG emissions sources — Considerations for preparers, as authoritative (mandatory) application material within NZ CS 1? [see Exposure Draft – Appendix B, paragraphs B1 to B8]

### 3.5 The proposed amendments would apply from 1 January 2027 with early adoption permitted

We consider that the proposed amendments should make it easier for entities to apply NZ CS. We propose to make the amendments available to entities as soon as possible. To that effect we propose to set the application date for reporting periods that begin on or after 1 January 2027 and to permit early adoption.

10. Do you agree with the proposed mandatory date of 1 January 2027, with early adoption permitted?

### 3.6 We are not proposing to make all the amendments made by the ISSB and AASB

The ISSB made other amendments to its GHG emissions disclosure requirements in IFRS S2. In the table below we explain why we are not proposing to make these amendments to NZ CS 1.

<b>Amendment to IFRS S2</b>	<b>Why amendment is not considered necessary</b>
Permit an entity that participates in asset management, commercial banking or insurance to use alternative industry classification systems to the Global Industry Classification Standard for disaggregating information about financed emissions	Not relevant as NZ CS 1 does not prescribe disaggregation of financed emissions (rather an entity disaggregates information in a way that fairly present its climate-related disclosures (see NZ CS 3 paragraphs 6 to 9))
Clarify that relief from using the GHG Protocol Standard for measuring GHG emissions is available if an entity is required, in whole or in part, to use a different method by a jurisdictional authority or an exchange on which it is listed. The entity is permitted to use the different method only for the part of the entity to which the requirement applies	Not relevant as NZ CS 1 does not prescribe a measurement standard (rather it requires disclosure of the standard(s) used (see NZ CS 1 paragraph 24(a))

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<b>Amendment to IFRS S2</b>	<b>Why amendment is not considered necessary</b>
Provide relief for an entity from using global warming potential (GWP) values from the latest IPCC Assessment Report when a jurisdictional authority or an exchange on which the entity is listed requires the use of different GWP values	Not relevant as NZ CS 1 does not prescribe GWP values (rather it requires disclosure of the GWP values used (see NZ CS 1 paragraph 24(c))
Introduce a restatement requirement (unless impracticable) for prior-period comparatives when first applying the amendments, covering measurement method changes and updated Category 15/financed-emissions presentation and industry disaggregation. (see transition in Appendix C)	Not relevant as NZ CS 3 does not require an entity to restate comparatives unless it is to correct a material error(s) made in previous reporting periods.

The ISSB also amended three SASB Standards (relating to Asset Management & Custody Activities, Commercial Banks, and Insurance) to align the financed emissions metrics with the amendments made to IFRS S2. These are not relevant as we do not reference SASB Standards in NZ CS 1.

As explained in section 3.3.3, we are not proposing to include the additional qualitative disclosures added by the ISSB if an entity applies the relief proposed in paragraph 29A.

### **3.7 Regulatory Standards Act 2025 compliance**

[Placeholder for content]

## XRB Consultation document: Proposed amendments to NZ CS 1 Climate-related Disclosures 2026

## 4 References

Document	Link
ISSB's exposure draft — Amendments to Greenhouse Gas Emissions Disclosures — Proposed amendments to IFRS S2 Issued April 2025	<a href="https://www.ifrs.org/content/dam/ifrs/project/amendments-greenhouse-gas-s2/issb-ed-2025-1-greenhouse-gas-s2.pdf">https://www.ifrs.org/content/dam/ifrs/project/amendments-greenhouse-gas-s2/issb-ed-2025-1-greenhouse-gas-s2.pdf</a>
ISSB's Basis for Conclusions on Amendments to Greenhouse Gas Emissions Disclosures — Proposed amendments to IFRS S2 Issued April 2025	<a href="https://www.ifrs.org/content/dam/ifrs/project/amendments-greenhouse-gas-s2/issb-ed-2025-1-greenhouse-gas-s2-bc.pdf">https://www.ifrs.org/content/dam/ifrs/project/amendments-greenhouse-gas-s2/issb-ed-2025-1-greenhouse-gas-s2-bc.pdf</a>
ISSB's final amending standard — Amendments to Greenhouse Gas Emissions Disclosures — amendments to IFRS S2 Issued in December 2025  This also includes the ISSB's Basis for Conclusions on the amendment to IFRS S2	<a href="https://www.ifrs.org/content/dam/ifrs/publications/amendments/english/2025/issb-2025-1-amendments-ifrs-s2.pdf">https://www.ifrs.org/content/dam/ifrs/publications/amendments/english/2025/issb-2025-1-amendments-ifrs-s2.pdf</a>
Australian Sustainability Reporting Standard — AASB S2025-1 Amendments to Greenhouse Gas Emissions Disclosures Issued December 2025  This also includes the AASB's Basis for Conclusions on AASB S2025-1	<a href="https://standards.aasb.gov.au/sites/default/files/2025-12/AASBS2025-1_12-25_0.pdf">https://standards.aasb.gov.au/sites/default/files/2025-12/AASBS2025-1_12-25_0.pdf</a>

## 5 Glossary

<b>AASB</b>	Australian Accounting Standards Board
<b>AASB S2</b>	Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures
<b>ED</b>	Exposure Draft
<b>IFRS S2</b>	IFRS® Sustainability Disclosure Standard IFRS S2 Climate-related Disclosures
<b>ISO</b>	International Organisation for Standardisation
<b>ISSB</b>	International Sustainability Standards Board
<b>NZ CS</b>	Aotearoa New Zealand Climate Standards
<b>NZ CS 1</b>	Aotearoa New Zealand Climate Standard 1: Climate-related Disclosures
<b>PCAF</b>	Partnership for Carbon Accounting Financials
<b>SRB</b>	Sustainability Reporting Board
<b>XRB</b>	External Reporting Board

# Amendments to NZ CS 1 *Climate-related Disclosures 2026*

Exposure Draft

Consultation closes  
5pm, 29 July 2026



June 2026

## Amendments to NZ CS 1 *Climate-related Disclosures* 2026

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### Title

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0.1 This standard is the Amendments to NZ CS 1 *Climate-related Disclosures* 2026.

### Commencement

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0.2 This standard takes effect on the 28th day after the date of its publication under the Legislation Act 2019 (see section 27 of the Financial Reporting Act 2013).

### Principal standards

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0.3 This standard amends the following principal standards:

- Aotearoa New Zealand Climate Standard 1: *Climate-related Disclosures* (NZ CS 1)

### How amendments are made

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0.4 In this standard, text in the principal standard is deleted or inserted as follows:

- text that is shown as ~~struck out~~ is deleted from the stated provision of the principal standard
- text that is shown as underlined is inserted into the provision, (or is inserted as a new provision), of the principal standard

Any other text included in this standard is only for the purposes of identifying these amendments within the principal standards.

### Application

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0.5 The accounting periods in relation to which this standard commences to apply are:

- for an **early adopter**, those accounting periods following, and including, the **early adoption accounting period**.
- for any other reporting entity, those accounting periods following, and including, the first accounting period for the entity that begins on or after the **mandatory date**.

0.6 In paragraph 0.5:

**early adopter** means a reporting entity that applies this standard for an early adoption accounting period

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**early adoption accounting period** means the accounting period of the early adopter:

- (a) that begins before the **mandatory date** but has not ended or does not end before this standard takes effect (and to avoid doubt, that period may have begun before this standard takes effect); and
- (b) for which the **early adopter**:
  - (i) first applies this standard in preparing its climate statements or group climate statements; and
  - (ii) discloses in its climate statements or group climate statements for that accounting period that this standard has been applied for that period.

**mandatory date** means 1 January 2027

EXPOSURE DRAFT

## Amendments to NZ CS 1 *Climate-related Disclosures*

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### Paragraph 24(d) amended

24.

- (d) a summary of specific exclusions of sources, including facilities, operations or assets with a justification for their exclusion- (see paragraphs B1-B9).

### Heading of Appendix B amended

## Application date-material

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### Subheading and paragraphs B1 to B2 deleted (reallocated to new Appendix C)

#### Application date

- ~~B1. An entity must apply this Standard for annual reporting periods beginning on or after 1 January 2023, except for paragraphs 25 to 26.~~
- ~~B2. Assurance of GHG emissions (see paragraphs 25 to 26) applies to annual reporting periods that end on or after 27 October 2024.~~

### New subheading and paragraphs B1 to B9 inserted

#### GHG emissions – justified exclusions and permissions to exclude specific sources (see paragraph 24(d))

- B1. Paragraph 22(a) requires an entity to disclose its gross GHG emissions in metric tonnes of carbon dioxide equivalent classified as scope 1, scope 2 and scope 3. Paragraph 24(d) requires an entity to disclose a summary of specific exclusions of sources, including facilities, operations or assets with a justification for their exclusion. Paragraph 6 of NZ CS 3 *General Requirements for Climate-related Disclosures* requires an entity to fairly present its climate-related disclosures.
- B2. The requirements in paragraph 24(d) apply to exclusions of scope 1, scope 2 and scope 3 GHG emissions.
- B3. If, when applying the disclosure requirements to its own specific facts and circumstances, an entity determines that a GHG emissions source is material, the entity must disclose information about that source in accordance with NZ CS 1, including either:
- (a) the gross GHG emissions from that source; or
  - (b) a summary of that source as a specific exclusion and a justification for the exclusion, in accordance with paragraph 24(d).
- B4. If an entity determines that a GHG emissions source is not material, the entity is not required to disclose that source as an exclusion nor to provide a justification for excluding that source (see NZ CS 3 paragraph 31).
- B5. An entity must comply with NZ CS 1 disclosure requirements regardless of any disclosure requirements contained in the measurement standard(s) the entity uses. Accordingly, exclusions under NZ CS 1 paragraph 24(d) are permitted regardless of whether the chosen measurement standard permits exclusions, noting that many measurement standards also require disclosure of immaterial exclusions.
- B6. When providing the justification required by paragraph 24(d), an entity explains the basis on which the source was excluded. In doing so, an entity describes factors relevant to its circumstances, for example:
- (a) data is unavailable and no reasonable estimate can be made (see paragraph B9); or
  - (b) there is no applicable method for quantification (see paragraph B10); or
  - (c) the entity has applied the permission in paragraph B11 to exclude specified sources from its disclosure of scope 3 GHG emissions.

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- B7.** In some cases, an entity may be unable to estimate GHG emissions from a particular source due to insufficient data. Before excluding these emissions, an entity should consider whether alternative estimation methods are available, for example, whether a spend-based emission factor could be used. If data is unavailable for a specific source including facilities, operations or assets, an entity should consider whether a comparable source could provide a reasonable basis for estimation.
- B8.** There may be situations where there is no applicable method to quantify GHG emissions from a particular source. For example, a recognised framework might allow exclusions for asset classes for which it has not yet developed a measurement standard. In those circumstances, an entity may decide either to exclude the source and disclose the exclusion under paragraph 24(d), or to develop an estimation method. If an entity develops an estimation method, the method must be reasonable, transparent, and well documented.
- B9.** An entity may exclude the following financial activities from its disclosure of scope 3 GHG emissions:
- (a) emissions attributable to derivatives;
  - (b) emissions attributable to insurance and reinsurance underwriting activities; and
  - (c) facilitated emissions attributable to capital market issuance activities.

New Appendix C inserted

## **Appendix C** **Application date**

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This appendix is an integral part of NZ CS 1 *Climate-related Disclosures* and has the same authority as the other parts of this Standard.

New subheading and new paragraphs C1 and C2 inserted (relocated from Appendix B)

### **Application date**

- C1.** An entity must apply this Standard for annual reporting periods beginning on or after 1 January 2023, except for paragraphs 25 to 26.
- C2.** Assurance of GHG emissions (see paragraphs 25 to 26) applies to annual reporting periods that end on or after 27 October 2024.

New subheading and new paragraph C3 inserted

### **Amendments to NZ CS 1 Climate-related Disclosures 2026**

- C3.** *Amendments to NZ CS 1 Climate-related Disclosures 2026* amended paragraph 24(d) and added paragraphs B1 to B9 and paragraph C3. Paragraphs B1 and B2 were renumbered and relocated as paragraphs C1 and C2 in new Appendix C. An entity must apply those amendments in accordance with the application date provisions in paragraphs 0.5 to 0.6 of *Amendments to NZ CS 1 Climate-related Disclosures 2026*. An entity that applies these amendments to an 'early adoption accounting period' must disclose that fact.