

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

Exposure Draft

Consultation closes
5pm, 29 July 2026

A decorative graphic consisting of four slanted rectangular bars in shades of green, grey, blue, and orange, arranged horizontally.

June 2026

A decorative graphic consisting of three circular patterns of white dots connected by thin lines, arranged in a triangular pattern on a dark green background. The dots form a spiral-like pattern radiating from a central point.

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

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Title

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

Commencement

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

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

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

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

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*

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

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 B7); or
 - (b) there is no applicable method for quantification (see paragraph B8); or
 - (c) the entity has applied the permission in paragraph B9 to exclude specified sources from its disclosure of scope 3 GHG emissions.

- 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, an entity must disclose the method used and the rationale for doing so (see NZ CS 3 paragraph 52).
- 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**

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.