

Submission template

Adjustments to the climate-related disclosures regime

This is the submission template for the discussion document, *Adjustments to the climate-related disclosures regime*. The Ministry of Business, Innovation and Employment (MBIE) seeks written submissions on the issues raised in the discussion document by **5pm on 14 February 2025**.

Please make your submission as follows:

1. Fill out your name, organisation and contact details in the table: “Your name and organisation”.
2. Fill out your responses to the consultation document questions in the table. Your submission may respond to any or all of the questions in the discussion document, as appropriate.
3. When sending your submission:
 - a. Delete this page of instructions.
 - b. Please clearly indicate in template if you do not wish for your name, or any other personal information, to be disclosed in any summary of submissions or external disclosures.
 - c. Note that submissions are subject to the Official Information Act 1982 and may, therefore, be released in part or full. The Privacy Act 2020 also applies.
 - d. Note that, except for material that may be defamatory, MBIE intends to upload PDF copies of submissions received to MBIE’s website. MBIE will consider you to have consented to uploading by making a submission, unless you clearly specify otherwise in your submission. If your submission contains any confidential information:
 - i. Please state this in the template, and set out clearly which parts you consider should be withheld and the grounds under the Official Information Act 1982 that you believe apply. MBIE will take such objections into account and will consult with submitters when responding to requests under the Official Information Act 1982.
 - ii. Indicate this on the front of your submission (e.g. the first page header may state “In Confidence”). Any confidential information should be clearly marked within the text of your submission (preferably as Microsoft Word comments).
4. Please send your submission (or any further questions):
 - as a Microsoft Word document to climaterelateddisclosures@mbie.govt.nz (preferred), or
 - by mailing your submission to:

*Corporate Governance and Intellectual Property Policy
Business, Resources and Markets
Ministry of Business, Innovation & Employment
PO Box 1473
Wellington 6140
New Zealand*

Submission on discussion document: Adjustments to the climate-related disclosures regime

Your name and organisation

Name	Fonterra Co-operative Group
Date	14 February 2025
Organisation (if applicable)	
Contact details	Ben Cunliffe, NZ Govt Affairs Manager, ben.cunliffe@fonterra.com

Privacy and publication of responses

[To tick a box below, double click on check boxes, then select 'checked'.]

☐ The Privacy Act 2020 applies to submissions. Please check this box if you do not wish your name or other personal information to be included in any information about submissions that MBIE may publish.

☐ MBIE intends to upload submissions received to MBIE's website at www.mbie.govt.nz. If you do not want your submission to be placed on our website, please check the box and provide an explanation in the box below.

Please check if your submission contains confidential information

☐ I would like my submission (or identified parts of my submission) to be kept confidential, and **have stated below** my reasons and grounds under the Official Information Act that I believe apply, for consideration by MBIE.

Responses to discussion document questions

Please enter your responses in the space provided below each question.

Chapter 2: Reporting Thresholds	
1	Do you have any information about the cost of reporting for listed issuers?
2	Do you consider that the listed issuer thresholds (and director liability settings) are a barrier to listing in New Zealand?
3	When considering the listed issuer reporting threshold, which of the three options do you prefer, and why?
4	If the XRB introduced differential reporting, would this impact on your choice of preferred option?
5	Do you think that a different reporting threshold for listed issuers should be considered (i.e., not one of the options above) and, if so, why?
6	If Option 2 or 3 was preferred do you think that some listed issuers would still choose to voluntarily report (even if not required to do so by law)? And, if so, why?
7	What are the advantages and disadvantages of a listed issuer being in a regulated climate reporting regime?
8	Do you have information about the cost of reporting for investment scheme managers?
9	Do you have information about consumers being charged increased fees due to the cost of climate reporting?
10	When considering the reporting threshold for investment scheme managers, which of the three options do you prefer, and why?
11	If the XRB introduced differential reporting, would this impact on your choice of preferred option?

12	Do you think that a different reporting threshold for investment scheme managers should be considered (i.e., not one of the options above) and, if so, why?
13	When considering the location of the thresholds, which Option do you prefer and why?
14	For Option 2 (move thresholds to secondary legislation) what statutory criteria do you think should be met before a change may be made, e.g., a statutory obligation to consult. What should the Minister consider or do before making a change?
Chapter 3: Climate reporting entity and director liability settings	
15	When considering the director liability settings, which of the four options do you prefer, and why?
16	Do you have another proposal to amend the director liability settings? If so, please provide details.
17	If the director liability settings are amended do you think that will impact on investor trust in the climate statements?
18	If you support Option 3, should this be extended so that section 23 is disapplied for both climate reporting entities and directors? If so, why?
19	If you support Option 4 (introduce a modified liability framework, similar to Australia) what representations should be covered by the modified liability, i.e., should it cover statements about scope 3 emissions, scenario analysis or a transition plan, and/or other things?
20	If you support the introduction of a modified liability framework, how long should the modified liability last for? And who should be covered, ie., should it prevent actions by just private litigants, or should the framework cover the FMA as well? (Criminal actions would be excluded)
Chapter 4: Encouraging reporting by subsidiaries of multinational companies	
21	Do you think that there would be value in encouraging New Zealand subsidiaries of multinational companies to file their parent company climate statements in New Zealand?

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Do you think that, alternatively, there would be value in MBIE creating a webpage where subsidiaries of multinational companies could provide links to their parent company climate statements?

Final comments

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Please use this question to provide any further information you would like that has not been covered in the other questions.

Fonterra welcomes the opportunity to comment on the discussion document proposing adjustments to the Climate-related Disclosure ("CRD") regime. Fonterra reports under the regime as a publicly listed company with a market capitalisation exceeding \$60m in each of the two preceding accounting periods.

We released our first mandatory disclosure in September 2024 following an internal process that was thorough and involved people from across the organisation and external expertise. While the costs associated with preparing and assuring the FY24 CRD were not insignificant, Fonterra is supportive of the regime and recognises its value for individual entities and for the market as a whole.

With operations in several jurisdictions around the world, most notably Australia, Europe and the US, Fonterra is captured by other similar reporting requirements. We see diminishing returns in having to prepare and report against multiple TCFD-aligned standards across different jurisdictions that each have the same underlying purpose. Enabling organisations to run a single, high-quality process against one reporting standard in a primary jurisdiction will deliver significantly better outcomes than having multiple mandatory reporting requirements, each adding additional complexity and requiring resourcing.

We see value in encouraging New Zealand subsidiaries of multinational companies to report, as this could be expected to support the NZ public's understanding of these companies' climate-related risks, opportunities, and resilience. We also believe consideration should be given to allowing multinational companies with related New Zealand-based group entities which are classed as climate-reporting entities to file their parent company's TCFD aligned disclosure, rather than having to prepare a New Zealand-specific CRD. While this will not affect Fonterra's reporting within New Zealand, we believe it may set a valuable precedent for other countries to follow and supports higher quality and consistency in climate disclosures internationally.